

EXHIBIT C

Memorandum Number: _____

**Name of
Recipient:** _____



Confidential Private Placement Memorandum

**Oppenheimer Global Resource Private
Equity Fund I, L.P.**

**A Private Offering of
Class A Units and Class B Units of
Oppenheimer Global Resource Private Equity Fund I, L.P.**

Minimum Investment: A Units: \$500,000; B Units: \$5,000,000

These securities have not been registered with the Securities and Exchange Commission (the “*SEC*”) or with any state securities commission or any other regulatory authority. The securities are being offered in reliance upon an exemption from the registration requirements of federal and state securities laws and cannot be resold unless they are subsequently registered under such laws or unless an exemption from registration is available.

Neither the SEC nor any other agency has passed on, recommended or endorsed the merits of this offering or the accuracy or adequacy of this memorandum. Any representation to the contrary is unlawful.

An investment in this limited partnership involves significant risk. See “Risk Factors” on page 56.

July 2008

Oppenheimer & Co. Inc.

IMPORTANT CONSIDERATIONS

This Confidential Private Placement Memorandum (the “*Memorandum*”) is offering limited partnership interests in Oppenheimer Global Resource Private Equity Fund I, L.P. (the “*Fund*”).

Investment in the Fund involves a high degree of risk. This offering is made only to those entities and individuals who are both “accredited investors” as defined under Regulation D promulgated under the Securities Act of 1933, as amended (the “*Securities Act*”) and “qualified purchasers” as defined under the Investment Company Act of 1940, as amended (the “*Investment Company Act*”).

Oppenheimer Alternative Investment Management, LLC (the “*General Partner*”) is the general partner of the Fund. The General Partner is a registered investment adviser under the Investment Advisers Act of 1940, as amended. The Fund has not been registered under the Investment Company Act and the General Partner does not intend to register the Fund under the Investment Company Act.

The limited partnership interests of the Fund offered pursuant to this Memorandum are denominated in units (the “*Units*”). Investors will be required to represent that they are familiar with and understand the terms of this offering, that they are able to assume the risks incident to a purchase of Units, and are acquiring the Units for their own account for investment and not with a view to the resale or distribution thereof.

An investment in the Fund is not intended as a complete investment program. No assurance can be given that the Fund will achieve its investment objectives. Investment in the Fund involves the potential for loss. Consequently, investment in the Fund is suitable only for a portion of an investor’s portfolio.

This Memorandum does not constitute an offer to sell or a solicitation of an offer to buy securities in any state or jurisdiction in which such an offer or solicitation is not authorized or permitted, or to any person other than the offeree whose name appears on the cover page hereof.

Offerees are not to construe the contents of this Memorandum as legal, tax or investment advice. Before investing, an offeree should consult with such offeree’s legal, personal business and tax advisers to determine the consequences of an investment and arrive at the offeree’s own evaluation of the investment. No person should invest who is not, either alone or with his advisers, able to evaluate the merits and risks of this investment.

The acceptance of this Memorandum constitutes the agreement by the offeree to maintain in confidence the information contained herein and not to disclose the same to any party without the express consent of the General Partner, except as provided herein. Any distribution of this Memorandum to any person other than the offeree named on the cover of this Memorandum, in whole or in part, or the reproduction of this Memorandum, or the divulgence of any of its contents (other than to the offeree’s tax and financial advisers, attorneys and accountants, who will likewise be required to maintain the confidentiality of this Memorandum) is unauthorized, except that any prospective investor (and each employee, representative, or other agent of such prospective investor) may disclose to any and all persons, without limitation of any kind (except as provided in the next sentence) the tax treatment and tax structure of the Fund or an investment therein and all materials of any kind (including opinions or other tax analyses) that are provided to the taxpayer relating to such tax treatment and tax structure. Any such disclosure of the tax treatment, tax structure and other tax-related materials shall not be made for the purpose of offering to sell the Units offered hereby or soliciting an offer to purchase any such Units. Except as provided above with respect to tax matters, the offeree named on the cover of this Memorandum, by accepting delivery of this Memorandum, agrees not to photocopy or reproduce it for the offeree’s personal use or otherwise, except to the extent permitted in this paragraph, and agrees to return or destroy promptly this Memorandum and

all attached or enclosed documents if the offeree does not undertake to purchase any of the Units offered hereby.

Units will not be traded on an exchange or the substantial equivalent thereof and the Fund will not issue registered securities. The Units are offered pursuant to an exemption from registration under Section 4(2) of the Securities Act, Regulation D promulgated thereunder and applicable state securities ("blue sky") laws. There is no public or other market for Units of the Fund and no such market is expected to develop and the Fund is not treated as publicly traded partnerships under the Internal Revenue Code of 1986, as amended. The transfer and resale of the Units are subject to restrictions. Units may not be transferred or resold except as permitted under federal and state securities laws and as approved by the General Partner in its sole discretion.

If an investor's subscription materials meet all of the requirements to become a Limited Partner of the Fund, and if the investor is approved by the General Partner, the General Partner will either cause the investor's subscription payments to be wired from the investor's brokerage account to the account designated in the subscription materials or will otherwise instruct the Limited Partner to wire such payment to such account.

No one is authorized to make any representations about the Fund other than those contained herein. Offerees should rely only on this Memorandum, and such written supplemental materials to this Memorandum as the General Partner or persons authorized to act on behalf of the Fund provides, together with or after the delivery of this Memorandum. At all reasonable times prior to the consummation of the offering, the General Partner will give offerees and their representatives the opportunity to ask questions of and receive answers from it or any person acting on behalf of the Fund concerning the terms and conditions of this offering and to obtain any additional information, to the extent the General Partner or such person possesses or can acquire such information without unreasonable effort or expense. All documents referred to herein but not attached as exhibits are available for inspection by investors or their representatives upon request of the General Partner.

Offerees that hold the assets of employee benefit plans, including ERISA-covered plans, governmental and church plans, and plans described in section 4975(e)(1) of the Code (e.g., Keoghs, and IRAs) generally are subject to substantial additional considerations. These investors must consider whether an investment in the Fund, the continued holding of Units, and the underlying investments of the Fund, are in the interest of the plan, meet applicable fiduciary standards and are permissible investments that do not constitute or give rise to transactions prohibited by applicable law. The party acting for the employee benefit plan investor, and not the General Partner or any other party associated with the Fund, will be solely responsible for determining and ensuring that the initial and continued investment in the Fund is permitted, meets applicable fiduciary rules and does not give rise to a prohibited transaction. Further information on considerations for employee benefit plan investors is included in **Annex 3** to this Memorandum and is available upon request from the General Partner.

This Memorandum contains a summary of the material terms of documents relating to an investment in Units. The statements made in this Memorandum are made as of the date hereof unless another time is specified. Neither the delivery of this Memorandum nor any sale made hereunder shall under any circumstances create any implication that there has been no change in such statement or the offering since such date. The offer of Units to the offeree is made solely pursuant to this Memorandum and this Memorandum supersedes any other information that may have been furnished to the offeree respecting an investment in Units prior to delivery of this Memorandum.

For the convenience of the reader, **Annex 1** to this Memorandum contains a glossary of certain specially defined terms used in this Memorandum and the annexes to this Memorandum. All of such terms are also defined in the text of the Memorandum.

NOTICE TO FLORIDA RESIDENTS

IF THE SECURITIES REFERRED TO HEREIN ARE SOLD TO, AND ACQUIRED BY, FIVE (5) OR MORE FLORIDA RESIDENTS IN A TRANSACTION EXEMPT UNDER SECTION 517.061 OF THE FLORIDA SECURITIES ACT, EACH FLORIDA INVESTOR MAY HAVE THE RIGHT TO WITHDRAW ITS OR HIS INVESTMENT WITHIN THREE (3) DAYS AFTER THE FIRST TENDER OF CONSIDERATION MADE BY SUCH INVESTOR, OR WITHIN THREE (3) DAYS AFTER THE AVAILABILITY OF THIS PRIVILEGE IS COMMUNICATED TO SUCH INVESTOR, WHICHEVER OCCURS LATER.

PRIVACY NOTICE

Any and all nonpublic personal information received by the Fund and the General Partner with respect to investors in the Fund who are natural persons, including the information provided to the Fund by an investor in subscription documents, will not be shared with nonaffiliated third parties which are not service providers to the Fund and/or the General Partner. Such service providers include, but are not limited to, the Fund's administrator, auditors and legal advisers. Additionally, the Fund and/or the General Partner may disclose such nonpublic personal information as required by law or applicable regulatory action. See **Annex 4** for additional information on the privacy policy for the Fund.

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INVESTMENT HIGHLIGHTS

Overview

The consumption, harvesting, utilization and sourcing of natural resources and energy-related assets are changing throughout the world. Developed markets continue to consume fossil fuels at record levels despite surging prices. Developing markets require resources to grow, build and sustain their new economies and sprawling urban developments, China, India, Russia and Brazil being the largest contributors. Over the last five years, various resources have hit pricing highs and stayed at or near record levels. Recently, record levels of capital are being invested in clean or regenerative resource utilization and harvesting, resulting in new pricing pressure on soft commodities, such as corn, soybeans and wheat, with the ultimate result being high prices for perishable foods. At the same time, traditional fossil fuels are being harvested and consumed in a just-in-time inventory fashion with excess supply at *de minimis* levels. Notwithstanding, history suggests resource prices will fluctuate and the long-term effect of these events will be uncertain. The only certainty would appear to be that the global market for natural resources and energy-related assets is changing rapidly.

Oppenheimer Alternative Investment Management, LLC (the “**General Partner**”) is offering interests in Oppenheimer Global Resource Private Equity Fund I, L.P. (the “**Fund**”), which is focused on investments in companies poised for advantage in the global markets for natural resources and energy-related assets. The Fund is a fund of private equity funds that intends to invest in natural resource, power generation and energy-related assets and their changing dynamics (collectively, “**Natural Resource and Related Assets**”) on a global basis including but not limited to energy, timber, water, minerals, mined resources, agriculture and the transportation, distribution, utilization, management and support of, and technologies being developed for, Natural Resource and Related Assets, and including, but not limited to, assets relating to the protection, renewal or replacement of environmentally protected or sensitive areas or wildlife such as wetlands and endangered species and their habitats. Investors who invest directly in this partnership will contribute their subscription amount to this partnership as it is called, will be subject to substantial penalty if they fail to meet a capital call, and will not have the right to withdraw their capital.

The Fund’s Investment Program

The Fund intends to invest in other private equity funds managed by managers selected by the General Partner which invest, through privately negotiated transactions, in private companies that own, control, operate, generate, manage, transport, develop technology for, or otherwise deal with, or support, Natural Resource and Related Assets (“**Underlying Funds**”). The Fund is also permitted to itself invest directly in such private companies or in joint ventures, partnerships and other direct investments within such investment strategy (“**Direct PE Investments**” and collectively with interests in Underlying Funds, the “**PE Investment Assets**”). The Fund’s commitments to Underlying Funds and the capital for its Direct PE Investments will be called from the Limited Partners of the Fund on an as needed basis. The Fund also expects to put a credit facility in place to facilitate its ability to meet its capital contribution obligations to PE Investment Assets.

Investment in the Fund

Investors who invest in the Fund will be limited partners in the Fund. Investors will make a capital commitment to the Fund which will be contributed as it is called by the General Partner for investment in PE Investment Assets. The Fund may invest or commit to invest in new PE Investment Assets until the later of December 31, 2009 or the period ending one year after the period during which the Fund is permitted to accept subscriptions for Units in the Fund (the “**Subscription Period**” for the Fund). The General Partner may extend such period by up to one additional year (including any such extension, the

“PE I Investment Period”). After the PE I Investment Period, the General Partner may call capital from investors in the Fund only to satisfy the Fund’s commitments to Underlying Funds, to make follow-on investments in Direct PE Investments and to pay expenses of the Fund.

Investors will not have the right to withdraw capital from the Fund. Such investors will be subject to the reinvestment provisions of the Fund in the event investments are realized within 12 months of acquisition. In such event, proceeds other than tax distributions may be reinvested in the Fund in the discretion of the General Partner.

Overall Investment Objective and Strategy

Generally

The investment opportunity described in this Memorandum is intended to offer qualified investors access to a carefully selected, diversified portfolio of private equity and equity-investments focused on Natural Resource and Related Assets and managed by experienced managers (each, a **“Manager”**) who we believe have demonstrated the potential for superior performance. The Fund seeks to achieve greater returns with less volatility than those historically generated by traditional financial assets such as investments in mutual funds, bonds and public securities and also offer investors inflationary protection and opportunity for diversification.

We will utilize a multi-tiered fund screening process which our investment professionals have developed for selecting Underlying Funds. The Fund intends to invest with Managers whom we believe (i) have demonstrated the potential for superior performance investing in equity and equity-related securities focused on Natural Resource and Related Assets or (ii) comprise a management team with deep expertise in creating value in one or more target segments of the industries dealing with Natural Resource and Related Assets. The Fund will seek to assemble a portfolio of diverse specialist funds focused on Natural Resource and Related Assets, each with a management team focused on a given resource market or sub-sector, geography or technology.

We believe that our investment experience and our network of relationships with private equity managers with relevant experience in industries dealing with Natural Resource and Related Assets provide the Fund with a distinct advantage in gaining access to established, well performing funds. In our experience, many established funds offer only limited access to new investors and typically require a minimum investment of at least \$5 or \$10 million. The Fund offers institutional investors and individuals of substantial means the opportunity to invest smaller amounts in the highly specialized private funds focused on Natural Resource and Related Assets. We believe that our relationships, as well as our due diligence process, coupled with our management team’s extensive knowledge and experience in natural resources and energy, and our fund selection process, provide us the ability to identify successfully a diverse portfolio of leading, next generation private equity fund managers and distinguish the Fund from other pooled investment vehicles.

The Fund

The Fund’s investment objective is to provide income and long-term capital appreciation by investing in a diversified portfolio of select private equity and equity-related investments within developed and developing market countries managed by experienced teams capable of generating superior returns. We expect our PE Investment Assets to encompass domestic and foreign buy-outs, expansion opportunities, recapitalizations, private real estate and distressed situations.

The Fund intends to select and manage a diversified portfolio of private equity and equity-related securities targeting investments in single assets and portfolios of assets, as well as in securities of companies that own, control, operate, generate, manage, transport, develop technology for, or otherwise

deal with, or support, Natural Resource and Related Assets. The Fund will seek to invest primarily in Underlying Funds which we believe possess distinct domain expertise and experience in a given sector, region or situation. However, the Fund also may make direct investments in private companies that own, control, operate, generate, manage, transport, develop technology for, or otherwise deal with, or support, Natural Resource and Related Assets.

The Fund will seek to build a diversified portfolio to reduce risk as well as to maximize potential returns. Diversification is expected to be by resource type, geography and vintage year. Our primary focus will be to select Managers with deep concentrated knowledge and experience in a specific sector, style, stage or geography or combination thereof and a demonstrated ability to create value post investment. In addition to investing with various managers of private equity funds, the Fund will consider opportunistic joint ventures and direct investments, *provided, however, that* such opportunistic investments are not expected to represent more than twenty percent of the commitments to the Fund.

The Fund expects to make commitments to invest in Underlying Funds over multiple vintage years and expects to invest in PE Investment Assets on substantially the same terms as other public and private institutions. The goal of our domain centric strategy is to produce top-quartile returns and to produce returns that are generally higher than those available through investments in the public markets. However, there is no assurance that the Fund will achieve its investment objective.

Global Natural Resource Focus

Energy

The Fund's investments in the energy sector may include investments in Underlying Funds where the Managers specifically focus on investing in the actual resource, its harvesting, generation, extracting, processing, servicing, distribution, transmission, consumption and storage. For example, the Fund may seek Managers that have a track record of building and managing power generation facilities.

Mined Resources

Mined resources include any fossil fuel or nonrenewable resource extracted from the ground, including oil, coal, natural gas, minerals and metals. Coal is the most abundant and economical fossil fuel with over four billion tons consumed annually. We believe that global economic growth will continue to drive coal prices upward and the Fund will actively seek to invest, directly or indirectly through investments in Underlying Funds, in segments of the coal industry with favorable risk-adjusted return characteristics including supply, mining operations, equipment and services and clean coal conversion.

Timber

Timber investments are expected to include forestry investments emphasizing sustainable management, high quality, planted forests in locations that have robust domestic markets and/or provide good access to markets in North America, Europe or Asia. The Fund may also selectively invest, directly or indirectly through investments in Underlying Funds, in manufacturing facilities (mills) as well as general infrastructure improvements (roads and ports) that will add value to a related forest asset.

Water

Water infrastructure investments are expected to include water treatment, desalination, water technology and services, and water distribution opportunities, domestically as well as in developing markets including the Middle East, the Indian subcontinent, Central and South America, North Africa and China. The Fund's investments in this sector will seek to capitalize on the global advances required for a growing world population's consistent availability and usage of water resources.

Resource Distribution and Transportation

The movement of resources in both the developed markets and the developing markets continues to be, in our view, an underinvested area. In the United States and Western Europe, energy distribution assets have historically been rate based and controlled by quasi-governmental agencies. With the deregulation of the natural gas markets in the late 1980s and the power markets in the 1990s, private investments into the distribution and transportation of natural resources and other energy assets have become increasingly more available. We intend to actively seek managers focused on sourcing, distributing and servicing unique private investment opportunities in distribution systems.

In addition to the above, the Fund will also consider investment opportunities in minerals, metals, agribusiness, soft commodities and environmental concerns.

Global Resource Market Opportunity

We believe the appeal to institutional investors and high net worth individuals of investing in global resources derives from the particular financial attributes of these assets, which: (i) are long lived; (ii) provide critical resources and services; (iii) enjoy strong competitive positions with high barriers to entry; (iv) typically generate stable and recurring long-term cash flows; (v) provide both current returns and opportunities for capital appreciation; (vi) can provide a natural hedge against inflation; (vii) are uncorrelated to the equities market; (viii) have limited operating risk; (ix) involve lower levels of commodity risk; and (x) offer multiple exit opportunities.

In addition to the attractive attributes of natural resource investing, we believe the current climate for resource investment is favorable due to the following factors: (i) significant demand for capital and a changing market; (ii) limited capital deployed into Natural Resources and Related Assets in developed markets over the last 10 years; (iii) limited availability of funding from traditional sources; and (iv) a growing opportunity for investment in the emerging markets.

The Sponsor and Related Parties

The Fund is sponsored by Oppenheimer Asset Management Inc. (the “*Sponsor*”), an SEC registered investment adviser. The general partner of the Fund is Oppenheimer Alternative Investment Management, LLC (the “*General Partner*”), an affiliate of the Sponsor and an SEC registered investment adviser. The Fund will be administered by Oppenheimer & Co. Inc. (“*Opco*”), a broker-dealer and an SEC registered investment adviser. In this Memorandum, we sometimes use terms such as “we” and “our” when referring collectively to the Fund, the General Partner, Opco and the Sponsor.

Concurrently with and separately from the offering described in this Memorandum, the General Partner is offering limited partnership interests in Oppenheimer Global Resource Fund, L.P., an evergreen private equity investment vehicle that will be a limited partner in the Fund (the “*OGR Fund*”). In addition, the General Partner is offering limited partnership interests in Oppenheimer Global Resource Hedge Fund, L.P., a fund of hedge funds that will invest in both underlying hedge funds or accounts that invest in securities focused on Natural Resource and Related Assets (the “*Hedge Fund*”), on a continuous basis and separately from the offering described in this Memorandum. The OGR Fund will be a limited partner of the Hedge Fund and, until such time as the OGR Fund is required to meet a capital call made by the Fund, will invest substantially all of its assets in the Hedge Fund and a liquid asset pool which consists of securities having a natural resources and energy related focus and that can be more readily liquidated from the investments in the Hedge Fund and is maintained through a separate limited liability company owned and controlled by the OGR Fund (the “*Liquid Asset Vehicle*”). The Sponsor is also the sponsor of each of the OGR Fund and the Hedge Fund and the General Partner is also the general partner of each of the OGR Fund and the Hedge Fund.

Summary of Principal Terms¹

The Fund	Oppenheimer Global Resource Private Equity Fund I, L.P.
General Partner	The General Partner of the Fund is Oppenheimer Alternative Investment Management, LLC, a Delaware limited liability company. The General Partner is an affiliate of the Sponsor. The General Partner will provide investment advisory services to the Fund with the assistance of employees of the Sponsor, including the Investment Professionals.
Investment Objective and Strategy	The Fund's objective is to provide investors with long-term capital appreciation and to generate superior returns for its investors with lower volatility and reduced correlation to equity and commodity markets. In furtherance thereof, the Fund will seek to offer qualified investors access to a carefully selected, diversified portfolio of private equity and equity-related investments focused on Natural Resources and Related Assets including in Underlying Funds managed by experienced Managers who have demonstrated the potential for superior performance, and thereby to achieve greater returns with less volatility than those historically generated by traditional financial assets such as investments in mutual funds, bonds and public securities and also offer investors inflationary protection and opportunity for diversification.
Units	<p>The Fund is offering investors the opportunity to subscribe for limited partnership interests denominated in units (the "Units"). Investors may subscribe for Class A Units or Class B Units in the Fund. Capital commitments to the Fund, including by the OGR Fund, are referred to herein as the "PE Commitments."</p> <p>Investors subscribing for interests in the Fund will become limited partners of the Fund ("Limited Partners"). The OGR Fund will be a Limited Partner in the Fund.</p>
Fund Size and Minimum	The Fund is seeking an aggregate of \$200 million in PE Commitments, although the General Partner reserves the right, in its sole discretion, to increase or decrease the size of the Fund. There will be no minimum amount of subscriptions necessary for any Fund to have an initial closing.
Offering Period	The General Partner intends to offer the Class A Units and Class B Units of the Fund until April 30, 2009. The General Partner, in its sole discretion, may offer such Units for an additional six months after such date. The period during which new subscriptions may be accepted and Units may be issued by the other limited partners of the Fund is referred to herein as the " Subscription Period ."

¹ Capitalized terms not defined in this Summary of Principal Terms have the meanings assigned to them in the Glossary in Annex 1 of this Memorandum.

The OGR Fund's Units in the Fund

To distinguish the interests of the OGR Fund held in the Fund from those of the other limited partners of the Fund, the OGR Fund will subscribe for and own Class C Units in the Fund which have economic rights which correspond to the Class A or Class B Units, as applicable, held by the other limited partners of the Fund.

The Class C Units of the Fund that are held by the OGR Fund will be designated either as Class C/A Units (in respect of Class C Units tracking capital invested by the holders of OGR 2007 Class A Units) or Class C/B Units (in respect of Class C Units tracking capital invested by the holders of OGR 2007 Class B Units).

Minimum Investments.....

The minimum investment for a Class A Unit in the Fund is \$500,000. For a Class B Unit in the Fund, it is \$5,000,000.

The General Partner has made the following four exceptions to the \$5,000,000 minimum requirement for Class B Units:

(i) all funds invested by investors affiliated with the Limited Partner (including family members of the Limited Partner) (the “*Affiliated Investors*”) will be aggregated and, if together they exceed \$5,000,000, then each such Affiliated Investor will receive Class B Units;

(ii) if the Limited Partner (together with its Affiliated Investors and taking into account investments made by all such investors in the Fund, the OGR Fund and the Hedge Fund (including any offshore funds or parallel funds associated with any of such funds)) is seeking to make an investment in the Fund that in the aggregate is less than \$5,000,000 but is nonetheless substantial in the view of the General Partner and if the Limited Partner (together with its Affiliated Investors) currently has at least ten million dollars (\$10,000,000) in the aggregate invested in other alternative investment vehicles sponsored by the Sponsor or advised by the General Partner, the General Partner may, in its sole discretion, allow the Limited Partner to acquire Class B Units;

(iii) if the Limited Partner (together with its Affiliated Investors and taking into account investments made by all such investors in the Fund, the OGR Fund and the Hedge Fund (including any offshore funds or parallel funds associated with any of such funds)) is seeking to make an investment in the Fund that is in the aggregate at least \$500,000 and if the Limited Partner's investment (together with those investments of its Affiliated Investors) is the result of a recommendation made by a financial advisor or consultant that (x) is not an Affiliated Financial Advisor and is not otherwise an affiliate of either the Sponsor or the General Partner and (y) has recommended investment in the Fund, the OGR Fund or the Hedge Fund (including any offshore funds or parallel funds associated with any of such funds) to other investors that have (taking into account investments made by the Limited Partner and its Affiliated Investors) collectively made investments in any one or more of the Fund, the OGR Fund or the Hedge Fund (including any offshore funds or parallel funds associated with any of such funds) that are in the aggregate at least \$5,000,000, the General Partner may, in its sole

discretion, allow the Limited Partner to acquire Class B Units; and

(iv) additional investments by the Limited Partner and its Affiliated Investors in the Fund will be aggregated with prior investments made by the Limited Partner and its Affiliated Investors in the Fund, the OGR Fund and the Hedge Fund and, if together they exceed \$5,000,000 at any time, then the Limited Partner will receive (and the capital account relating to all prior capital contributions of the Limited Partner will be deemed to have been withdrawn and the proceeds of such deemed withdrawal shall be deemed to have been used to purchase) Class B Units in the Fund effective as of such time. For purposes of such aggregation, a Limited Partner's investment will be calculated based on the net asset value of such Limited Partner's investment in the Hedge Fund (or any offshore fund or parallel fund associated therewith) and the Liquid Asset Vehicle, the amount of capital contributed by such Limited Partner to the Fund (directly or indirectly through the OGR Fund or any offshore fund or parallel fund associated with Fund or the OGR Fund) and the amount, if any, committed directly but not yet contributed by the Limited Partner to the Fund (or any offshore fund or parallel fund associated with the Fund).

Investors seeking to qualify for Class B Units under the exceptions to the minimum requirement set forth in clauses (i) and (ii) above must qualify based on disclosures made in their initial subscription documents.

Terms of the Fund.....

The Fund term will continue until the earlier of (i) the winding up of the Fund's last remaining PE Investment Asset and distribution of the proceeds thereof; and (ii) such date as the Fund has disposed of all of its assets and satisfied all of its obligations.

**Contribution of
General Partner**

The General Partner will contribute to the Fund an amount equal to at least 0.20% of the aggregate contributions made to the Fund. The General Partner has contributed 1% of the aggregate contributions made to the Fund to date and presently intends to maintain its level of investment in the Fund at such 1% level.

Capital Calls

The Limited Partners will make capital contributions to the Fund as capital is called by the Fund.

The General Partner expects to provide at least ten business days notice for a capital call. After the PE I Investment Period (as defined below), the General Partner will only be permitted to call capital to (i) pay expenses, including liabilities and indemnification obligations relating to investment assets owned by the Fund, (ii) satisfy any other obligations with respect to PE Investment Assets, and (iii) make follow-on investments in Direct PE Investments.

The General Partner may borrow or otherwise arrange financings on behalf of the Fund if the General Partner determines that borrowed funds are necessary to fund capital calls by an Underlying Fund. The

General Partner does not expect the aggregate amount of such borrowings outstanding at any one time to exceed 30% of the PE Commitments.

Expenses associated with borrowed funds will be expenses of the Fund except that Limited Partners (including the OGR Fund) in the Fund not meeting their capital call will bear any such expenses (pro rata in proportion to unmet capital calls) incurred after the due date of the capital call.

**Private Equity Fund Investment
Period**

The investment period of the Fund (“**PE I Investment Period**”) will end on the later of December 31, 2009 or the date that is one year after the end of the Subscription Period for the Fund; provided that the General Partner may extend such period for up to one additional year. The General Partner will not be permitted to form another pooled investment fund that has an investment strategy and targets investments substantially similar to those of the Fund as discussed in this Memorandum until the earlier of the end of the PE I Investment Period or the date as of which the Fund is 70% invested, reserved or committed.

Management Fee

The Fund will pay Oppenheimer & Co. Inc., an affiliate of the Sponsor (“**Opco**”), an annual management fee (the “**Management Fee**”). The Management Fee will be payable quarterly in advance.

The Fund will pay Opco a Management Fee equal to (i) 1.00% of the aggregate PE Commitments attributable to Class A Units held by direct investors in the Fund, (ii) 1.00% of the aggregate capital contributions made from the OGR Fund attributable to Class C/A Units therein held by the OGR Fund, (iii) 0.75% of the aggregate PE Commitments attributable to Class B Units held by direct investors in the Fund, and (iv) 1.00% of the aggregate capital contributions made from the OGR Fund attributable to Class C/B Units therein held by the OGR Fund.

After the expiration of the PE I Investment Period, the foregoing Management Fee to be paid by direct investors in the Fund will be based on capital committed or invested with respect to PE Investment Assets and not on PE Commitments.

Fund Expenses.....

Opco will pay certain management expenses including salaries and costs associated with office space. The Fund will be responsible for all other expenses related to its own operations (collectively, the “**Fund Expenses**”). Fund expenses include, but are not limited to, the costs and expenses incurred in connection with the identification and purchase, holding or sale of investments; transaction costs; and costs of insurance coverage for the Fund and its affiliates. The Fund expects to enter into a third party administration agreement pursuant to which the third party administrator will perform certain administrative, accounting and investor services for the Fund. The Fund will pay the third party administrator a customary fee for these services.

Organizational Expenses

The Fund, the OGR Fund and the Hedge Fund will be responsible for expenses up to \$1,000,000 incurred in connection with the organization of the Fund, the OGR Fund, the Hedge Fund (including any offshore fund or parallel fund associated with any such fund) and the Liquid Asset Vehicle. Each of the Fund, the OGR Fund and the Hedge Fund will bear the portion of such expenses which is directly attributable to the organization of that fund (including any offshore fund or parallel fund associated with such fund). Expenses directly attributable to the Liquid Asset Vehicle will be considered direct expenses of the OGR Fund. Thus, the Fund will pay all expenses incurred in connection with the organization of the Fund which are directly attributable to the organization of the Fund (including any offshore fund or parallel fund associated with the Fund, including the Offshore Private Equity Fund (defined below)). In addition, the Fund will pay a portion of any expenses that are not directly attributable to any of the Fund, the OGR Fund and the Hedge Fund (including any offshore fund or parallel fund associated with any such fund) ("**Indirect Expenses**") equal to the product of such Indirect Expenses, multiplied by a fraction the numerator of which is the total PE Commitments on the date on which such expenses are paid or allocated, and the denominator of which is the total PE Commitments plus the net value of the Liquid Asset Vehicle, plus the net asset value of the Hedge Fund on such date. Investors in the Fund (including the OGR Fund) will bear the Fund's organizational expenses in proportion to their relative PE Commitment as a percentage of all PE Commitments and will share in all organizational expenses of the Fund and any Offshore Fund or Parallel Fund and all Indirect Expenses on an aggregate basis as if the Fund and such Offshore Fund or Parallel Fund were one entity.

Additional or Increasing**Investors; Subsequent****Closings**

The Fund expects to hold multiple closings at which investors will be admitted as Limited Partners of the Fund. Likewise, the OGR Fund expects to hold multiple closings at which investors are admitted as Limited Partners of the OGR Fund. When new capital is invested in the Fund by a direct investor in the Fund, or when new capital is invested in the OGR Fund and the OGR Fund therefore increases its commitment to the Fund, such direct investor will be treated as an additional or increasing limited partner of the Fund and the OGR Fund will be treated as an increasing limited partner of the Fund, as applicable. In such cases, such direct investor and the OGR Fund, if applicable, will have to bear its proportionate share of Organizational Expenses of the Fund and Management Fee paid by the Fund since inception of the Fund, so as to put the direct investor or the OGR Fund, as applicable, in the same position with respect to such new or increased commitment as it would have been had such new or increased commitment existed from inception of the Fund.

Underlying Fund Level**Expenses.....**

The Fund is a fund of-funds and will bear its pro rata share of management fees, carried interest, and other expenses incurred by Underlying Funds.

Cash Distributions

Cash distributions will be made by the Fund in such amounts as the General Partner determines is available for distributions (“**Distributable Cash**”) and in accordance with the following order and priority:

1. First, 100% to all Partners in proportion to their contributed capital until they have received an 8% return (compounded annually) on their unreturned capital contributions (the “**Preferred Return**”) which will accrue from the date the capital is contributed to the Fund;

2. Second, 100% to all Partners in proportion to their contributed capital until the amount of their unreturned capital is zero;

3. Third, 100% to the General Partner until the General Partner has received pursuant to this paragraph (3) an amount that is equal to (a) 10% of the cumulative distributions made (or deemed made by reason of Tax Distributions) to holders of Class A Units and Class C/A Units (inclusive of any Class A Units owned by the General Partner) under paragraph (1) and this paragraph (3); and (b) 5% of the cumulative distributions made (or deemed made by reason of Tax Distributions) to holders of Class B Units and Class C/B Units (inclusive of any Class B Units owned by the General Partner) under paragraph (1) and this paragraph (3); and

4. Fourth, (a) 90% of the Class A Amount to the holders of Class A Units and the Class C/A Units (inclusive of Class A Units owned by the General Partner), with the remaining 10% of the Class A Amount to the General Partner; and (b) 95% of the Class B Amount to the holders of Class B Units and the Class C/B Units (inclusive of Class B Units owned by the General Partner), with the remaining 5% of the Class B Amount to the General Partner. For this purpose, the “**Class A Amount**” and “**Class B Amount**” shall equal the product of the aggregate distributions to be made under this paragraph 4, multiplied by a fraction the numerator of which is the total contributions to the Fund made in respect of Class A Units and Class C/A Units and Class B Units and Class C/B Units, respectively, and the denominator of which is the total contributions made to the Fund.

The amounts distributed to the General Partner pursuant to paragraph (3) and the 10% and 5% amounts distributable to the General Partner pursuant to paragraph (4) above are referred to in this Memorandum as the “**Carried Interest**.” The Carried Interest will be distributed to the General Partner and not reinvested.

Reinvestment of Proceeds.....

All cash proceeds attributable to a distribution (other than Tax Distributions) received by the Limited Partners on account of an investment made by the Fund in a PE Investment Asset will be callable for recontribution to the Fund as provided below:

(i) The General Partner may retain or call for recontribution distribution proceeds to the Fund for further reinvestment in the PE Investment Asset that made the distribution (the “**Distributing PE**”

Asset”) to the extent such distribution proceeds are callable by the Distributing PE Asset pursuant to commitments made by the Fund to the Distributing PE Asset; and

(ii) The General Partner may retain or call for recontribution the distribution proceeds to the Fund for investment in a PE Investment Asset that is not the Distributing PE Asset to the extent (a) such distribution proceeds were received by the OGR Fund within twelve (12) months after the Private Equity’s investment in the Distributing PE Asset, and (b) the Fund’s investment period has not terminated.

Tax Distributions

The General Partner expects to cause the Fund to make tax distributions (to the extent of Distributable Cash), to the Limited Partners. If made, the General Partner expects the amount of such tax distributions to equal the product of all net taxable profits earned by the Fund, multiplied by the lesser of (i) 40% and (ii) the combined effective federal and state income tax rate attributable to the Partner residing in the state which imposes the highest rate of income tax on ordinary income (“*Tax Distributions*”). Tax Distributions will be treated as an advance payment of, and in the same order and priority as, cash distributions that would be made by the Fund.

Distributions In Kind.....

Any distribution received in kind by the Fund from a PE Investment Asset may be distributed in kind to the Partners having an interest therein. Property distributed in kind will be valued at the amount ascribed to it by the PE Investment Asset making the distribution at the time of such distribution.

Allocations of Gains and Losses

Profits, gains, deductions and losses (both realized and unrealized) generally will be allocated to the holders of Units in the Fund in accordance with how cash would be distributed if it were distributed to such holders.

Clawback

Upon liquidation of the Fund, the General Partner will be required to return any excess Carried Interest received, net of amounts paid in respect thereof to satisfy tax liabilities attributable to the Carried Interest.

Failure to Make Capital Contributions.....

To the extent that a direct holder of Class A Units or Class B Units in the Fund fails to pay any portion of a capital call in full when due, the General Partner may impose any one or more of several remedies enumerated in the Partnership Agreement, including forfeiture of a portion of the defaulting partner’s capital account or requiring a sale of the defaulting partner’s Class A Units or Class B Units.

In the event a sanction is applied against the Fund by any of the Underlying Funds including, without limitation, for failure to fully fund its capital commitment to such Underlying Fund, and such failure is attributable to the failure of a particular partner of the Fund to fund his or its PE Commitment, the relevant sanction applied by the Underlying Fund against the Fund will be visited, to the maximum extent possible,

solely upon that holder.

The OGR Fund is not subject to the remedies applicable to any direct holder of Class A Units or Class B Units if they default on their PE Commitments. Instead, expenses of any borrowing incurred to allow the OGR Fund time to meet its capital call will be allocated to the OGR Fund.

Transferability of Units

Units in the Fund will generally not be transferable without the prior consent of the General Partner, which may be withheld by the General Partner in its sole discretion, for any reason whatsoever.

**Removal of
General Partner**

Direct and indirect investors in the Fund (including investors in Oppenheimer Global Resource Private Equity Offshore Fund I, Ltd. (the “*Offshore Private Equity Fund*”)) holding a majority of the Units of the Fund held directly or indirectly by all investors in the Fund (excluding any Units held by the affiliates of the General Partner, the Investment Professionals or their affiliates) may elect to remove the General Partner of the Fund at any time and for any reason upon no less than ninety (90) days notice. Upon removal of the General Partner (a “*GP Removal Event*”), the Fund will be dissolved and liquidated unless such investors holding at least 80% of the Units held directly or indirectly by all investors in the Fund elect a new general partner (the “*New General Partner*”) to continue the Fund within thirty (30) days after the making of the election to remove the General Partner. If there is no election to continue, then holders of a majority of the Units of the Fund held by all investors of the Fund (including the Offshore Private Equity Fund) shall elect a liquidator (the “*PE Liquidator*”), and the business and affairs of the Fund and the Offshore Private Equity Fund shall thereupon be wound up by the PE Liquidator..

Investors in the Offshore Private Equity Fund are entitled to vote on an indirect basis in any vote taken with respect to a GP Removal Event. In any such vote, the Offshore Private Equity Fund is required to cast its vote (as a limited partner in the Private Equity Fund) in the proportion as directed by the Investors in the Offshore Private Equity Fund in a manner consistent with that described under “Pass-through Voting Generally” below.

**Exercise of Right to Remove the
General Partner**

Any investors holding at least 5% of the units held by all investors in the Fund and in the Offshore Private Equity Fund (“*Offshore Private Equity Investors*”) (excluding any units held by the affiliates of the General Partner, the Investment Professionals or their affiliates) shall be entitled to cause the General Partner to solicit the vote of all such investors with respect to a GP Removal Event.

If any investors holding such 5% amount provide written notice to the General Partner of their desire to exercise the rights set forth in the immediately preceding paragraph, then the General Partner shall forward such notice, together with such other information as is required or permitted, to all direct investors in the Fund and all Offshore Private

Equity Investors, to solicit the investors' votes on the removal issue. After a vote is taken on a GP Removal Event, the General Partner will notify all direct investors in the Fund and all Offshore Private Equity Investors of the results.

Pass-Through Voting

Generally.....

In the event that the Fund solicits, or receives a solicitation from, other investors of the Fund to exercise any of the voting rights set forth under the Partnership Agreement (including, without limitation, the right of the limited partners of the Fund (including the OGR Fund and the Offshore Private Equity Fund) to remove the General Partner of the Fund and the right to elect a new general partner and to continue the Fund notwithstanding any such removal, and all matters respecting the Fund that the Offshore Private Equity Fund is entitled to vote upon, all of which collectively are referred to herein as the "*Private Equity Fund Proposals*"), the General Partner shall solicit the vote or consent of all direct and indirect holders of limited partnership interests in the applicable entity, and shall vote the interests so as to have the same effect as if the indirect investors owned interests in the Fund directly.

Offshore Funds and Parallel Funds.....

The Sponsor, General Partner or Opco may form an offshore investment vehicle (an "*Offshore Fund*") or parallel investment vehicles (each a "*Parallel Fund*"), in each case which will invest in or together with, and on the same basis as, the Fund. If the General Partner so determines, such investment may be made through a master fund structure through which the Fund may hold its investments. Partners in the Offshore Fund or Parallel Fund will bear the same Management Fee and Carried Interest as those in the Fund and will share in all organizational expenses of the Fund and any Offshore Fund or Parallel Fund and all Indirect Expenses on an aggregate basis as if the Fund and such Offshore Fund or Parallel Fund were one entity.

Fiscal Year

The fiscal year of the Fund will end on December 31 of each year.

Financial Reporting

Partners will receive annual audited financial reports, quarterly performance reports and such other information as the General Partner deems appropriate. In addition, the Fund will furnish its Partners with annual tax information necessary for the preparation of tax returns.

Suitability Requirements

The Units will be offered and sold only to those persons who are both Accredited Investors and Qualified Purchasers. The General Partner may in its sole discretion, reject any subscription in whole or in part.

Plan of Distribution.....

The Units offered hereby are being distributed directly by Affiliated Financial Advisors. No fees, commissions or other compensation will be payable by the Fund to Opco or any of the Affiliated Financial Advisors for the placement of investors in the Fund. However, Opco will compensate such Affiliated Financial Advisors for placing their clients into the Fund. The compensation will be based on Opco's Affiliated Financial Advisors' compensation policies and will not be a Fund expense. In addition, an individual Affiliated Financial Advisor may, with the client's consent, charge a fee to his or her client for

placing the investor in the Fund. Such fees are charged by and payable by the investor to the Affiliated Financial Advisor and are not remuneration to Opco. For the Fund, such charge is in addition to the capital commitment amount reflected on the investor's subscription agreement. If charged, the Affiliated Financial Advisors will generally be entitled to retain such fee.

Auditors	The Fund has retained Rothstein, Kass LLP as its auditors. The General Partner may change the Fund's auditors in its sole discretion.
Legal Counsel	Pepper Hamilton LLP acts as legal counsel to the Fund and the General Partner and certain of their respective affiliates in connection with the organization and management of the Fund and the offering of Units. Pepper Hamilton LLP does not act as counsel to the Limited Partners.
Risk Factors	An investment in the Fund involves a significant degree of risk and there can be no assurance that the investment objectives of the Fund will be achieved. In addition to the speculative nature of investing in securities, the risks include the lack of an operating history for the Fund and the PE Investment Assets, challenges in achieving optimum diversification, dependence on Managers of Underlying Funds to enhance Portfolio Company values, the limitations on withdrawal from the Fund, potential conflicts of interest, non-transferability of Units, and illiquidity of the Fund's investments as well as illiquidity risks associated with investment in the Fund. In addition, there is a risk of the OGR Fund's inability to meet capital calls of the Fund if losses are incurred by the Hedge Fund or the Liquid Asset Vehicle or if the Hedge Fund is not able to timely withdraw its investments to satisfy the OGR Fund's withdrawal request and assets held by the Liquid Asset Vehicle are insufficient.

GLOBAL RESOURCE MARKET

Overview

The harvesting and utilization of natural resources is the largest and most capital-intensive business in the world. The largest segment of the resource market is energy. Global energy markets' projected capital needs over the next 25 years exceed \$10 trillion, with more than 10% of this amount attributable to projected North American energy infrastructure requirements. Growing demand for energy infrastructures has largely depleted the world's excess energy capacity, as the last major investment cycle in energy was over 20 years ago.² We believe that over the next 15 years, the global energy sector will need to invest significant amounts of capital in capacity expansion, distribution, utilization enhancement and preservation to keep pace with the growing energy needs in both developed and developing economies.

The Fund will focus on the global resource market, with energy expected to be the largest single area of concentration. In addition to energy, we will also seek to invest in the development, harvesting, transportation, distribution, services and enhancement technologies related to mined natural resources, consumable resources, timber, water, environment, and agribusiness.

Appeal of Global Resource Investing

The appeal of investing in global resources derives from the financial attributes that are particular to these assets, including the following attributes:

- Global resource assets provide long-term cash flows that are stable and recurring. Revenue is often supported by long-term contracts with creditworthy counterparties or with large numbers of end users who have stable, predictable usage patterns such as is the case for power generation, water distribution and gas transportation;
- Global resource assets exhibit natural monopoly characteristics including high barriers to entry and a regulatory or legal framework that prevents or impedes the entry of new competitors such as is the case with natural gas pipelines;
- Global resource assets are a natural hedge against inflation. Due to explicit regulation or revenue contracts with indexation features and the relatively low demand elasticity associated with these assets, inflationary pressures are generally passed on to end users;
- Global resource assets exhibit low correlation with other asset classes. Thus, these assets and the services surrounding them are less susceptible to market pricing pressures and economic downturns than most other asset classes;
- Global resource assets have a longer asset life (typically, greater than 20 years) and have high tangible value. Moreover, through time, global resource assets display low value erosion; and
- Global resource assets are largely insensitive to changes in technology, and thus, are not rendered obsolete as a result of technological changes because of their uniqueness and the lack of suitable substitutes.

Our strategy is to select the very best investments in each of the resource sub-sectors to build a private equity fund-of-funds with what we believe are the best performing Managers in their niche market (domestic power generation, water distribution, forest plantations, etc).

²Energy Information Administration (EIA), Analysis of Global Energy Markets.

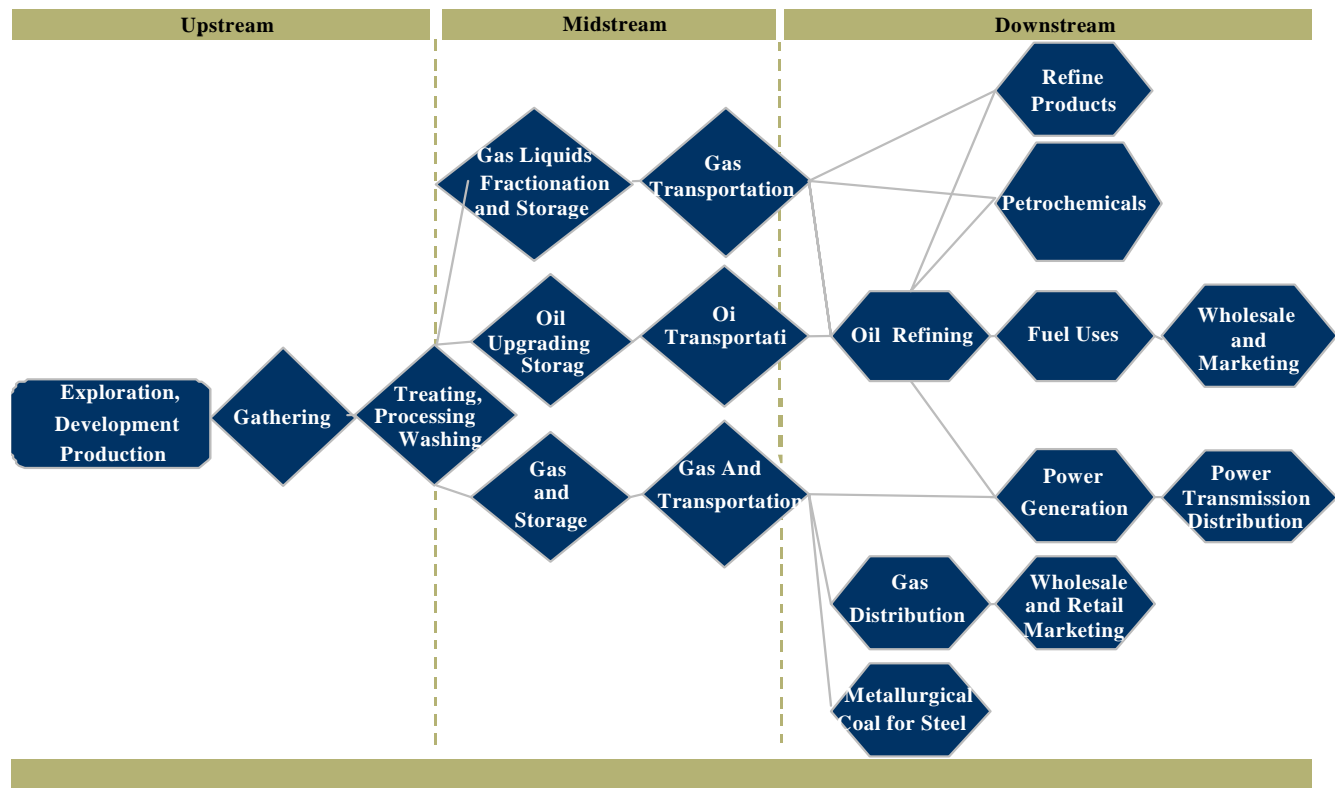
The Fund will seek to invest all of their capital in Underlying Funds and direct investments which focus on Natural Resource and Related Assets and related investments. The discussion below of various aspects of the global resource market is applicable to the Fund.

Investment Opportunity

Energy

The energy market is the largest and most capital-intensive market in the world. In the United States, the energy industry accounts for approximately 3% of gross domestic product and energy-related business sales total over \$1 trillion a year.³ Over the next thirty years, worldwide energy consumption is expected to grow from 400 quadrillion Btu to over 700 quadrillion Btu.⁴ This surge in demand is expected to arise from rapid economic growth in such fast-developing countries as China and India, as well as mounting consumption in the United States, the world's largest energy market. Global energy capital needs over the next 25 years are projected to exceed \$10 trillion.⁵

Oppenheimer Global Resource Energy Market Landscape



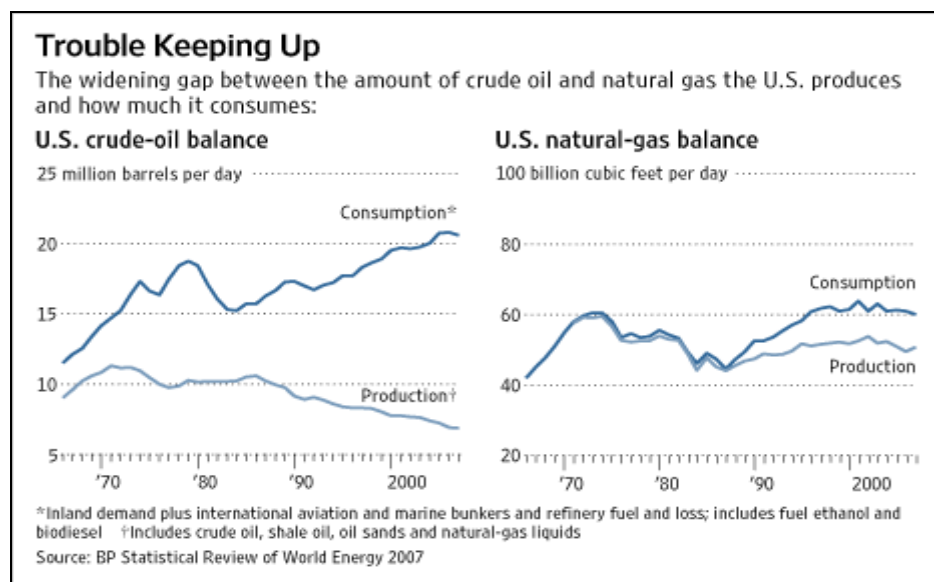
Over the past thirty years, the energy industry has changed dramatically as it has moved from a largely regulated market to a fractured deregulated energy market. Demand for energy has shown constant growth over the last two decades while investments in energy infrastructure have not kept pace.

³ Energy Information Administration (EIA)

⁴ Energy Information Administration (EIA) 2004, Analysis of the Global Energy Markets.

⁵ EIA 2007 Analysis of Global Energy Markets

Moreover, a significant amount of existing capital equipment is aging and/or becoming functionally obsolete and, as a result, there is a critical need for replacement, major repair and/or upgrades. Evolving environmental standards continue to create the need for additional capital investments. This significant demand for investment has exceeded the funding capacity and strategic objectives of traditional providers of capital for energy infrastructure. The energy industry is characterized by a current and growing need for substantial investments in capital assets. Therefore, we believe that long-term trends and dynamics in the energy industry will continue to lead to attractive investment opportunities in energy infrastructure.



Within the energy market, the Fund will focus on sub-sectors that present a compelling supply-demand investment curve and hence the greatest opportunity for the Fund to achieve its investment objectives. These sub-sectors are set forth below:

Power Generation – The impact of global economic growth is most evident in the increasing demand for power and for the supporting infrastructure to meet this demand. Under current United States Department of Energy projections power demand for the United States in 2030 will require an estimated 347 gigawatts⁶ of new capacity.⁷ On a worldwide basis, the demand for new capacity will be even greater. About one quarter of the world's population (over 1.6 billion people) still lack access to a power distribution grid. Supplying these electricity demands is expected to drive more than \$1 trillion in revenues, or more than \$50 billion per year.⁸

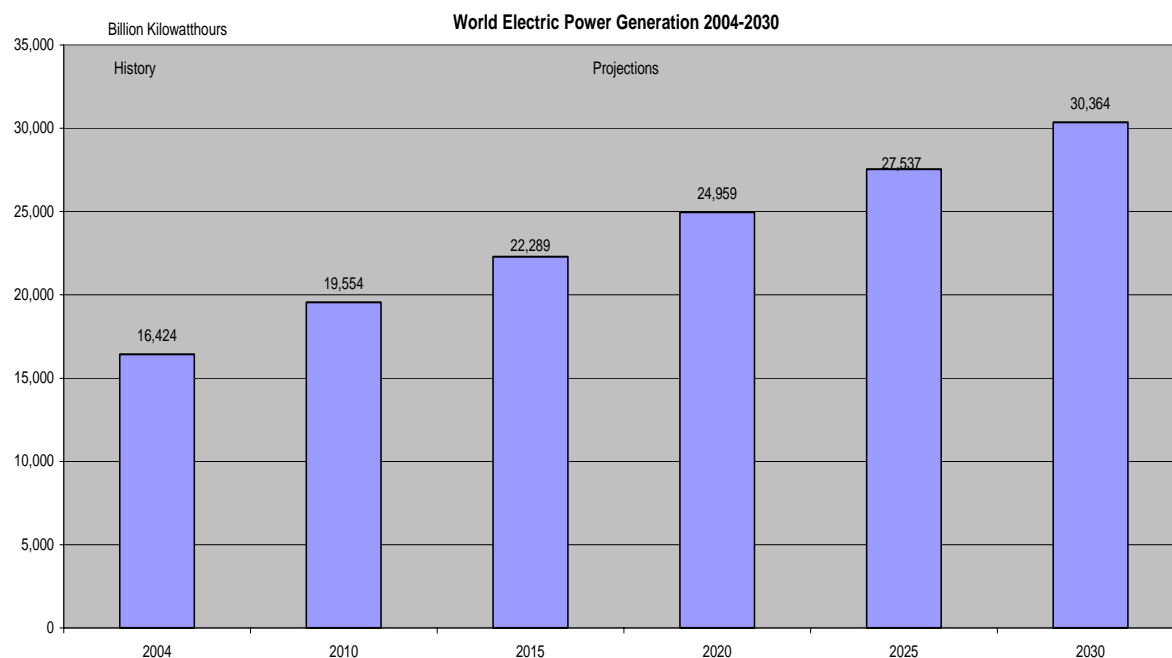
Over the past decade, the power generation sector has been deregulated in most of the major United States markets, resulting in the sale of a large portion of generation assets to owners other than traditional regulated utility companies, as well as significant investment in the construction of new generation

⁶ A gigawatt is one billion watts. A watt is the standard unit of measurement of electrical power. The average household consumes 10,655 kwhs of electricity per year.

⁷ U.S. Energy Information Administration "Annual Energy Outlook 2006"

⁸ U.S. Department of Energy

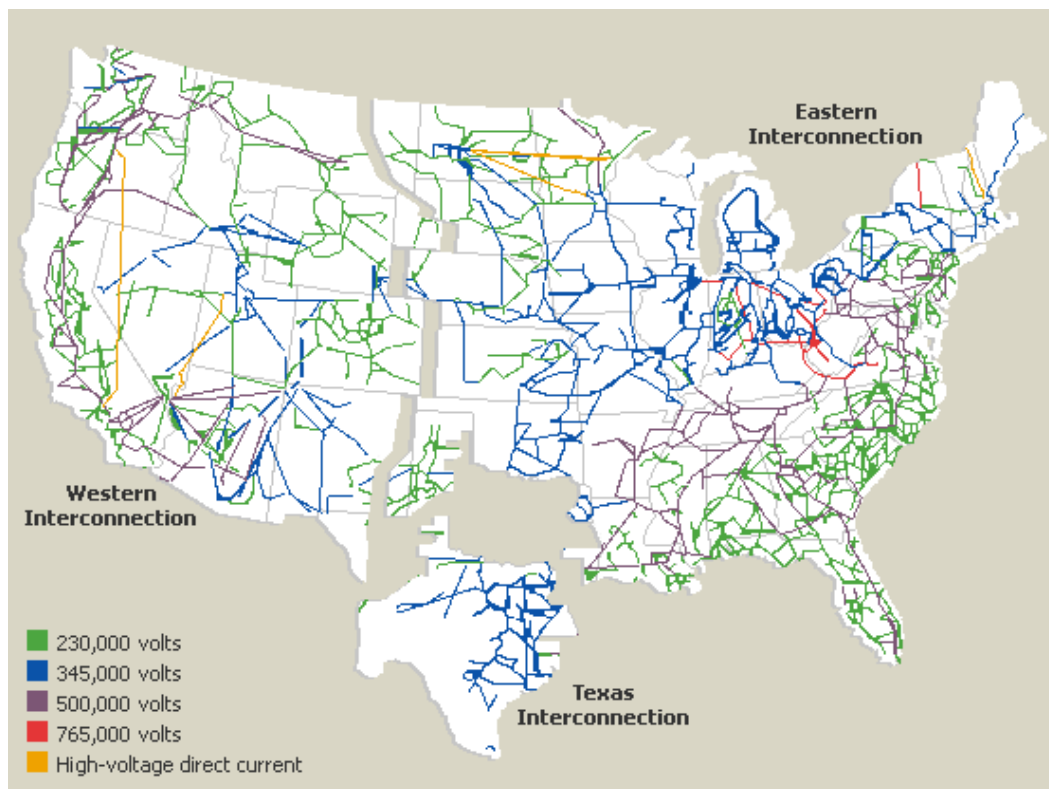
capacity by non-utility owners. In addition, the aging of the installed asset base and the combination of demand growth and relatively little new construction over the last several years has created an immediate need for new power generation capacity in many United States markets.



Sources: 2004: Derived from Energy Information Administration (EIA), *International Energy Annual 2004* (May-July 2006), web site www.eia.doe.gov/iea. 2015 and 2030: EIA, *System for the Analysis of Global Energy Markets* (2007).

Transmission and Distribution – The North American electric transmission grid includes more than 200,000 miles of transmission lines and 2.2 million miles of distribution lines serving more than 300 million consumers. Over time, increases in wholesale power transactions, electric demand and power production have put significant added pressure on a power grid already suffering from years of underinvestment. Expansion of the transmission grid is expected to facilitate more efficient power markets and potentially lower prices for consumers. Recognizing the need for new transmission capacity, federal and state governments implemented new transmission policies and attractive economic incentives. Further, the Energy Policy Act of 2005 marked a major step toward modernizing the transmission regulation required to create a more attractive investment environment.

With the growth of global electricity demand and the aging of existing transmission grids, transmission grid upgrades are projected to require large amounts of capital. We believe that these upgrades represent attractive investment opportunities due to their steady cash flow with revenues typically derived from contractual capacity reservation payments. One investment area of particular interest is the interconnection of distant generation facilities to the power grids servicing the US demand pools. The economic feasibility of such projects is the result of the continued integration and implementation of locational marginal pricing (“**LMP**”) by the Independent System Operators (“**ISOs**”). LMP allows for the determination of the price of power at a given node (consumption point in the system) based on a market price. We believe this now provides investors the opportunity to quantify within a high degree of certainty the amount and price for the consumption of its power.



Source: North American Electricity Reliability Council, 2006

Mining Resources

Fossil fuels continue to supply much of the marketed energy worldwide. Liquids (primarily, oil and in its consumable form of refined petroleum products) are expected to continue to provide the largest share of world energy consumption.⁹ Their share is projected to decrease as low cost proven reserve basin production dwindles. However, current prices, while high based on non-inflation adjusted historical standards, have not affected consumption as the first half of 2007 saw the largest consumption of refined petroleum products in United States history.¹⁰ The narrowing of the supply demand gap in the oil industry may lead to greater demand for natural gas and coal. These two fuel sources, with very different pollution profiles, have been the focus of significant investment consideration in recent years and are projected to continue to see substantial increases in their use. As a result, natural gas and coal are projected to provide larger shares of the total energy used for electricity generation and marketed energy worldwide in the future than they did in 2004. The relative environmental benefits and efficiency of natural gas make it an attractive fuel choice for generation in many developed nations; however, higher oil and rising natural gas prices make coal the economic choice in non-OECD Asia, where coal resources are ample. Further, coal's pollution issues make it a focus of investments in technologies and processes designed to provide for more efficacious and environmentally safe utilization of coal.¹¹

⁹ Energy Information Administration - (EIA)

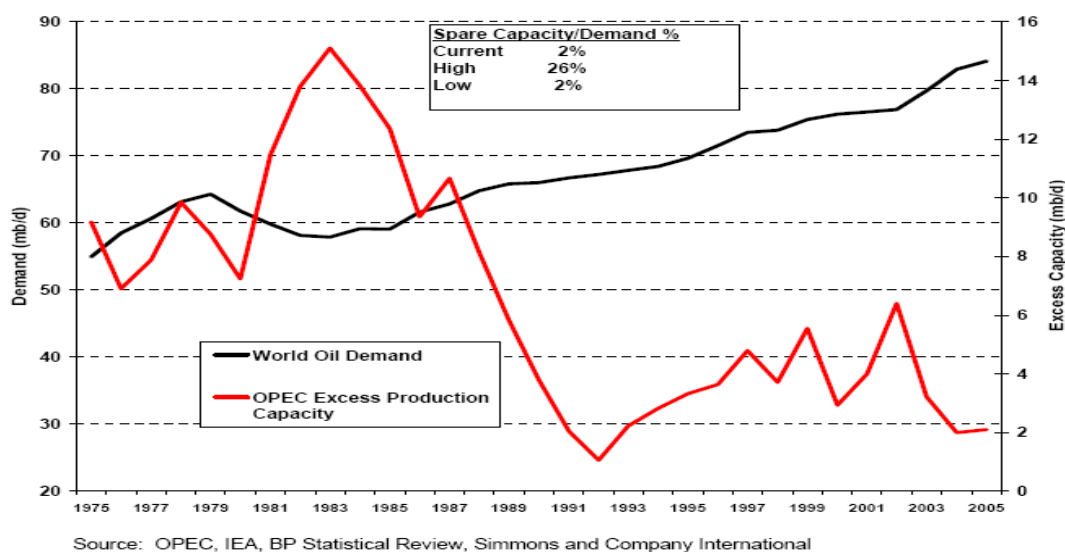
¹⁰ Energy Information Administration - (EIA)

¹¹ International Energy Outlook, 2007 – Energy Information Administration (EIA).

Oil

Despite record high oil prices over the past several years, worldwide oil consumption continues to grow at a significant pace. From 2000 to 2005, worldwide oil demand rose from 76.7 million barrels per day to 83.3 million barrels per day, an increase of 11.1%. The sharp increase in global oil prices has resulted primarily from strong economic growth in developing countries (especially China and India), geopolitical instability in major oil producing nations, and low world oil inventories resulting from very little upstream spare capacity and at times downstream capacity that cannot process the available crude supply due to technical constraints, thereby raising prices for a wide range of crude oils.¹²

The resilience of worldwide oil demand is evidenced by current demand forecasts showing steady increases even in today's high-priced market environment. Forecasts project global demand for oil to increase from 83.3 million barrels per day in 2005 to 112 million barrels per day by 2025.¹³ The key driver to these forecasts is world GDP growth especially that of China, which Wood Mackenzie expects to average 6.1% annually.¹⁴ Asia's importance to future oil demand growth is further evidenced by projections that Asia will account for 45% of the total world increase in oil demand through 2025 as compared to 19% for the United States.¹⁵



Natural Gas

The market for natural gas is fundamentally different from the market for oil. Unlike oil, which is a commodity traded globally, natural gas is constrained by transportation limitations. Historically, natural gas had been consumed locally because transportation over significant distances did not make economic

¹² March 2006 Wood Mackenzie Macro Energy Long Term Outlook Report.

¹³ March 2006 Wood Mackenzie Macro Energy Long Term Outlook Report.

¹⁴ March 2006 Wood Mackenzie Macro Energy Long Term Outlook Report.

¹⁵ Energy Information Administration (EIA).

sense. As a result, natural gas markets have generally been viewed as regional markets with little correlation between them.

In recent years, natural gas prices have risen sufficiently to allow for profitable integration of markets via pipeline or conversion to Liquefied Natural Gas (“LNG”). The United States and Western Europe are the largest consumers of natural gas and traditionally have had sufficient domestic supplies to meet demand. In the last decade however, the supply and demand balance has changed significantly within the United States. The United States now relies on imports for approximately 15% of its natural gas supply which has consequently increased the level of gas prices in the United States by two to four times in the last five years.¹⁶

The market situation in the U.K. and Western Europe is similar to that of the United States, as both have become net importers of natural gas for the first time in 2004. This trend is expected to increase in the coming years as demand continues to grow. The situation in the U.K. is largely a microcosm of the environment in continental Europe as the majority of the countries in this region import more than 50% of their natural gas requirements. In recent years, Russia has become the major exporter of natural gas to Europe, accounting for more than one-third of total European imports.¹⁷

Globally, natural gas market dynamics are likely to be a significant source of investment opportunities including:

- development of natural gas resources (coal, seam gas and shale gas);
- redevelopment of mature fields in the United States and in the North Sea;
- gas processing, compression and related infrastructure; and
- processed natural gas projects.

The increased demand for natural gas in conjunction with dwindling production from traditional sources is driving investments in both distribution capacity (pipelines) and gas storage. Pipelines and storage generate a stable revenue stream from contractual capacity reservation payments and/or regulated transmission tariffs designed to ensure cost recovery and return on capital. Capital needs for gas pipeline infrastructure are significant in gas producing countries of the former Soviet Union, as well as China and India.

Coal

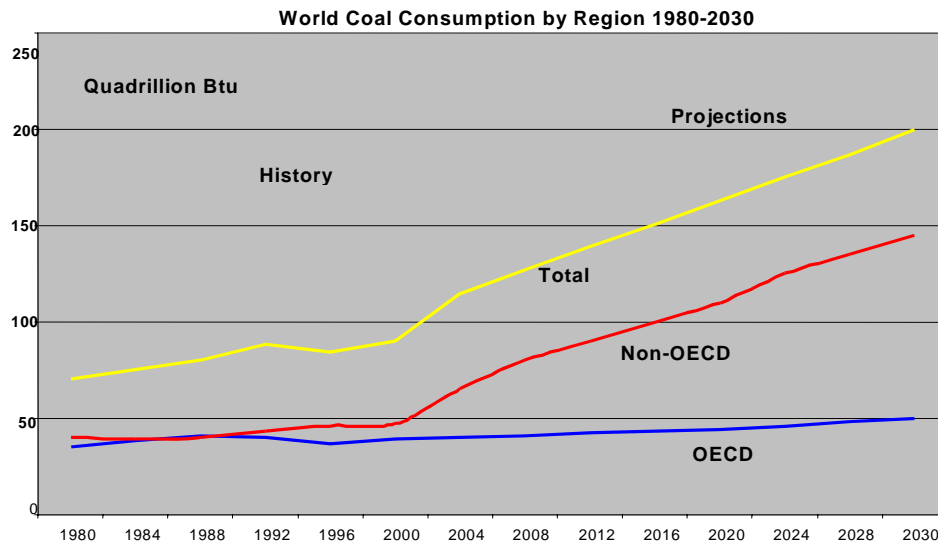
Coal is the world’s second largest energy source, behind oil and natural gas. Globally, coal is the most abundant and economical fossil fuel with over 4 billion tons consumed on an annual basis. Domestically, coal is the largest source of fuel for electricity generation, providing over 50% of total United States electricity generation fuel supply.¹⁸ Global demand is expected to increase dramatically over the next 20 years, principally driven by rapid consumption growth in the developing economies. Substantial increases in coal production and related transportation, storage and handling facilities will be needed to satisfy

¹⁶ EIA, Natural Gas Monthly, March 2007

¹⁷ European Commission

¹⁸ Energy Information Administration (EIA)

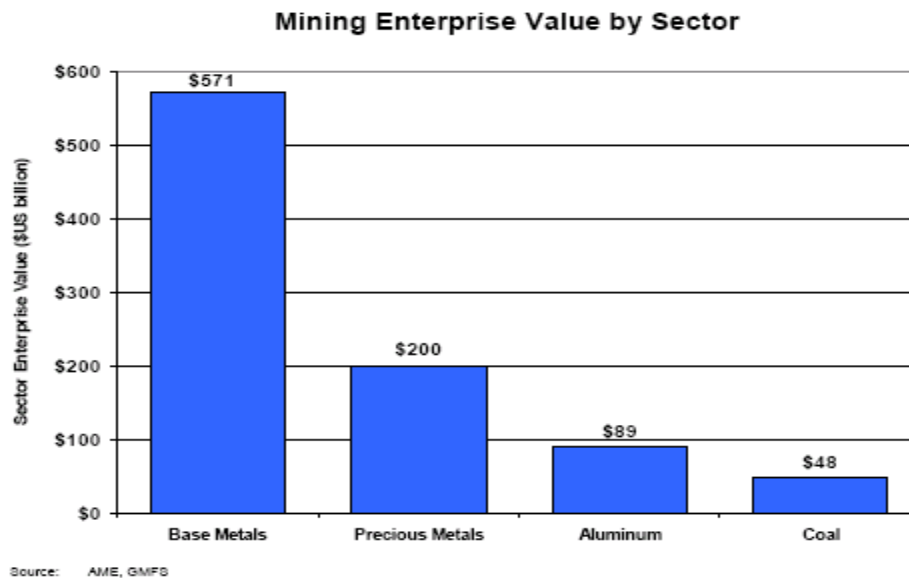
rising United States electricity demand. We believe this will provide investment opportunities in new production capacity and delivery infrastructure.



Sources: 2004 EIA Analysis of Global Energy Markets (2007)

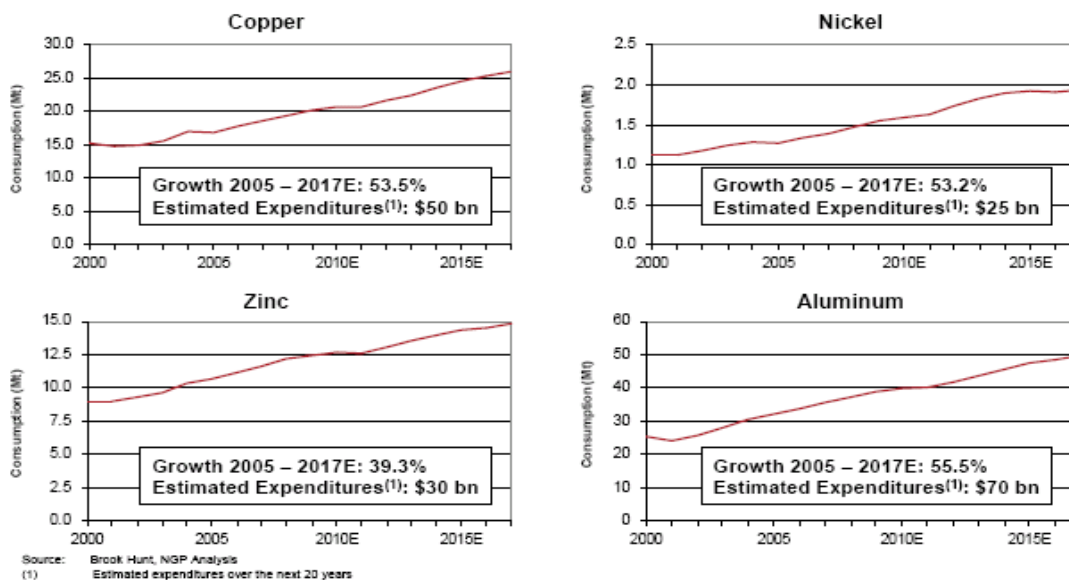
Metals & Minerals

The global minerals and metals sector has annual revenues in excess of \$500 billion with the enterprise value of the major public companies totaling approximately \$1 trillion. Its magnitude is even more impressive when compared to the estimated \$48 billion of enterprise value for companies involved in the coal sector.¹⁹



¹⁹ AME Mineral Economics

With limited excess capacity, the minerals sector will require the development of new sources of supply to meet the world's growing needs that are being driven largely by developing economies such as China and India. Over the next 10 years, steady growth in the consumption of copper, nickel, zinc and aluminum is estimated to generate capital expenditures of approximately \$175 billion in aggregate.²⁰

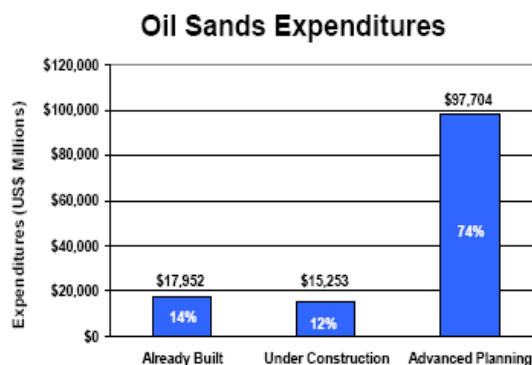
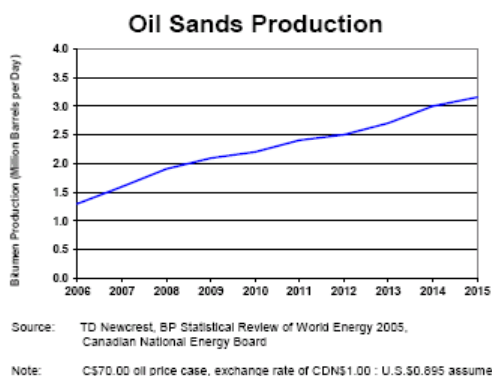


Unconventional Energy Sources

Oil sands represent as much as two-thirds of the world's total petroleum resource. Oil sand deposits are found in over 70 countries throughout the world, but three-quarters of the world's reserves are in two regions: Venezuela and the Athabasca located in northern Alberta and Saskatchewan, Canada. In particular, Canadian oil sands are becoming an integral part of North American energy supply due to a number of factors, including increasing costs of finding, developing and operating existing conventional reserves, technological advances and global political instability.

Oil sand is often referred to as non-conventional oil, in order to distinguish the bitumen and synthetic oil extracted from oil sands from the free-flowing hydrocarbon mixtures known as crude oil traditionally produced from oil wells. The development of oil sands or other unconventional energy sources, such as oil shales, will require vast investments to meet growing demand including upgrading and treating facilities and related equipment necessary to convert massive oil sands resources to a consumable product transportable to the end user.

²⁰ AME Mineral Economics



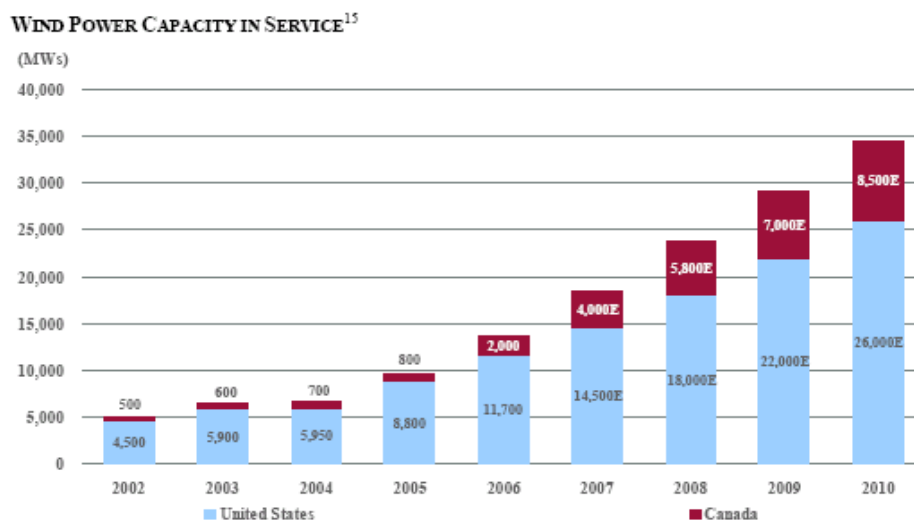
Renewable Energy Sources

In addition to growing investment opportunities in clean coal, other natural resources that are utilized in the energy and natural resource industries are also experiencing revitalizations due to higher overall energy costs, including: (i) biofuels from sugarcane or corn-based ethanol, (ii) tidal, wave, solar and wind generated power; (iii) alternative renewable sources such as those based on hydrogen as a fuel source or technologies designed to store electricity.

Many states have enacted Renewable Portfolio Standards which mandate a growing percentage of a state's total electricity needs be served by renewable generation sources. To date, 24 states have adopted various standards and members of the Senate are pushing for a federal standard. For example, the North American wind power market is expected to see substantial growth and increased overall activity, more than doubling current wind power capacity by 2010.²¹

²¹ Emerging Energy Research

We believe these renewable power mandates create an investment opportunity that would otherwise not exist as currently none of the alternatives have proven to be economically viable on an unsubsidized basis or to be distributable in an economically efficient manner. The primary benefactor of the renewable mandate legislation is wind power. The Fund will consider investment opportunities on a limited basis in renewable alternatives; the main focus in this area for the Fund is expected to be on fossil fuel utilization enhancement techniques and wind power.



Source: Emerging Energy Research

Timber

Timber investing is defined as the harvesting and sale of timber properties worldwide. Timber is consumed globally for fuel (mostly in third world countries), for solid wood products such as building materials, and for pulp based products such as paper, newsprint, and packaging. The timber industry is one of the United States' ten largest industries with annual shipments exceeding \$200 billion.²²

As a resource and asset class, timber has outperformed all major asset classes over the last 30 years. Between 1972 and 2006, an investor in timber saw average annual returns of over 14.5% with low volatility. For example, an investment in timber has had only three down years in the last 45 years. During inflationary periods, timber has historically acted as an excellent inflation hedge as demand for real assets increases.

Allocations to timber investments have steadily increased over the years primarily due to its non-correlated return characteristics compared to traditional asset classes. For example, in 2003, timber was the only investment category for which several of the largest and most renowned endowments in the United States have increased their allocations.

Industrialization and urbanization are placing substantial demands on our environment for timber, pulp and paper resources. The main drivers for investing in timber as an asset class include the increasing requirement for alternative sources of energy as well as tighter controls on pollution emissions.

The Fund's strategy of investing in timber will be to focus on:

²² Standard & Poor's Paper and Forest Products Industry Surveys.

- fast growing plantations;
- the most productive regions of the world; and
- properties near vibrant and long-lasting industrial infrastructure.

Timber investments that will be considered will include: (i) forests with normal age-class profiles for management on a sustainable basis; (ii) mature forests to provide high annual cash returns; (iii) immature forests to capture the high biological growth rates and realize value gains as pre-merchantable plantations move into commercial product categories; and (iv) merchantable timber deeds that will liquidate as the timber is harvested.

Plantation forests are of particular interest due to their readily definable investment attributes. Plantation style timber offers the following attractive investment characteristics: uniformity, which enable more accurate measurement and inventory analysis; predictable forest management, which provides option value to manage product mix for end markets; lower social and tenure pressures than natural forests; and the ability to offer certified forest products. The Fund will seek plantation forest investments in locations that service robust domestic markets (Australia, New Zealand, South America and South Africa) and/or provide access to markets in North America, Europe or Asia.

Water

The water industry is vast, on par with the oil, gas and electricity industries in terms of embedded capital, but remains ill-defined when compared to more traditional and well-followed investment sectors. The true scale of its size is better captured by the term “hydro-commerce,” which spans products and services as well as the collection, storage, conveyance, treatment, and distribution of water and wastewater for domestic, commercial, industrial, and agricultural uses.

In terms of supply/demand balances, available fresh water is less than one-half of one percent of all the water on earth as 6.5 billion people compete for this finite resource. Eighty percent of the global population relies on groundwater supplies that are dangerously depleted, if not exhausted, as they are mined beyond natural replenishment. In terms of infrastructure, developed countries are struggling to maintain their aging infrastructure, as evidenced in the US, which alone has 700,000 miles of drinking water pipes, some of which are more than 100 years old.²³ Many developing countries still lack basic water and sanitation systems as an estimated investment of up to \$1 trillion will be needed to fully modernize global water systems over the next 20 years, creating opportunities for water infrastructure including the manufacturing of pipes, valves, and other equipment.

Rapidly expanding emerging markets such as China and India are expected to be benefactors of this increased infrastructure investment. China makes up 21% of the world’s population but has only 7% of the renewable water resources. Water has been cited as the largest impediment to China’s long-term success. As a result, China plans to now double its rate of water infrastructure investment, spending \$250 billion by the end of 2008.²⁴ China is the most obvious case of a country facing a water need, but India and other mostly Asian markets are not far behind and are expected to make similar large-scale investments.

The large, incessant capital expenditures required to maintain and develop water systems have set in motion a shift from government ownership to privatization and consolidation. We believe that asset

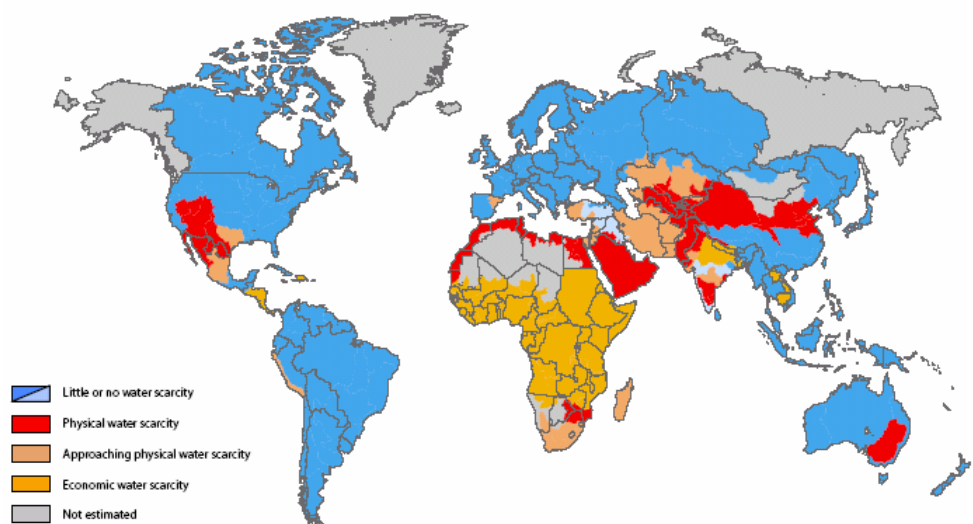
²³ UN World Water Development Report, 2006

²⁴ UN World Water Development Report, 2006

buyers will have the opportunity to receive an attractive return on capital by making acquisitions far below replacement value and generating significant cash flow.

The water market aggregates approximately \$400 billion in revenues per year. Capital needs and technology improvements will be key to solving the global water shortage. We expect to pursue major opportunities domestically as well as in the Middle East, Indian subcontinent, North Africa and China, in distribution, desalination and reuse.

Water Scarcity Is Already a Problem Today



Source: Stockholm World Water Week, 2006

...And a Potential Crisis in the Next 20 Years

Global Resource Demand

Globalization and recent economic growth are creating a particularly significant demand for resources in both developed and developing countries. We anticipate that the present imbalance of global energy supply and demand will continue to affect energy markets. Some of the catalysts responsible for the growth in demand for global resources include:

- Global demand for new investment – as a result of historic underinvestment in capital assets; exacerbation of regional supply/demand imbalances; the continued growth of emerging economies and growing energy demand, aging infrastructure; urbanization, and the rising standard of living; and
- Government focus – shift in priorities to greater transfer of resource assets to the private sector; increasingly stringent environmental standards as a result of heightened political focus; public policy initiatives, including the recently enacted Energy Policy Act; and increased investment in emissions control equipment, clean coal technologies and renewable generation such as wind.

The capital currently needed to invest in resource assets greatly exceeds the resources of companies traditionally investing in energy, including large energy companies, natural gas and electric utility companies, gas pipelines and independent power companies. We believe that the lack of available investment capital in the market relative to the capital needed both to develop and construct new assets, as

well as to purchase existing operating assets being divested, will provide significant opportunities for investment and attractive returns.

Developed Versus Developing Markets – Resource Utilization

During the last quarter century, world energy demand has increased about 60%, supported by a global infrastructure that has expanded on a massive scale. Most forecasts for the next quarter century project a similar percentage increase in energy demand from a much larger base. The Fund expects to pursue investments on a global basis, in both developed and certain emerging market countries.

Historically, energy consumption has been concentrated in the developed world, where economic activity has been centered. Today, the developed world, represented by the Organization for Economic Co-operation and Development (“*OECD*”), uses half of the world’s total energy to produce half of the world’s Gross Domestic Product.²⁵

In certain emerging markets, we believe opportunities will be driven by privatizations and the fact that a number of United States and European utilities are in the process of divesting assets in emerging market countries as they re-focus on their core regulated businesses. We also believe that Western Europe represents a substantial opportunity as it undergoes inter-country and intra-country consolidation. For example, Germany’s E.ON’s proposed acquisition of Endesa of Spain and Suez’s merger with Gaz de France are necessary to create a pan-European energy market capable of acting in a unified manner to deal with energy security and supply issues.

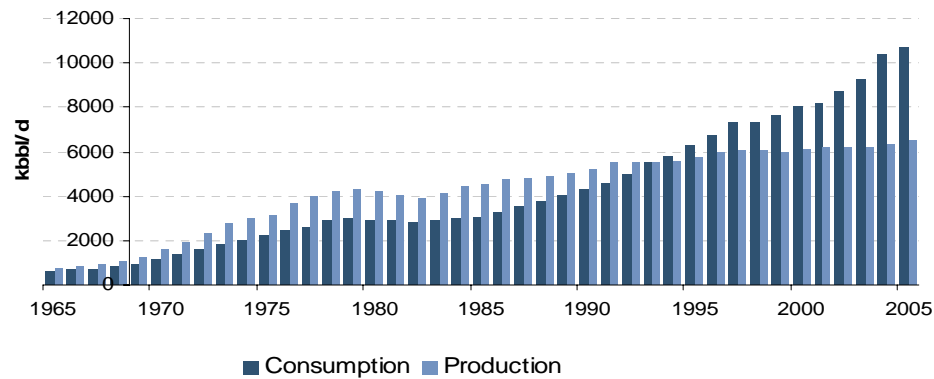
There is a need for substantial new investment to meet demand resulting from economic growth, particularly in China, India, Brazil and Mexico, as each are expected to require several tens of billions of dollars of capital investment in new generation over the next five years.

The demand for resources in Asia, particularly that of China and India, is expected to grow strongly with the continuing strength of these developing economies. In 2005-2006, Asia accounted for nearly all the growth in global demand for base metals and 40% of global oil consumption. Asia is projected to continue to be the dominant oil-consuming center over the next 20-25 years, with imports expected to exceed 21mbpd by 2025. China is now the second largest importer of forest products in the world (as of 2005), an increase of 233% compared to 1997. China imports a third of its oil supplies, accounting for as much as 7% of the world demand. India imports as much as two-thirds of its oil needs, consuming about 2 million barrels a day. Asian demand for resources, particularly that of China and India, is expected to grow strongly with the continuing strength of these developing economies. The Asia Pacific region is expected to be the single largest consumer of global resources, driven by growth in investment in raw materials-intensive infrastructure and industries.²⁶

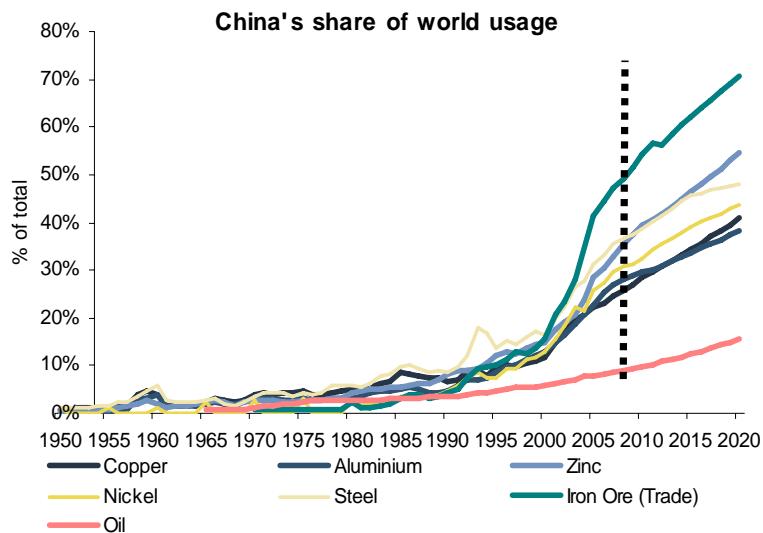
²⁵ The United States is the largest participant in the global energy system – the largest consumer, the second largest producer of coal and natural gas, and the largest importer and third largest producer of oil.

²⁶ World Watch Industry 2006 State of the World Report – India/China Resource Consumption on the Rise

Select Asian oil and gas consumption/ production



Asian exploration, development and production of commodities and energy have historically been underinvested compared with OECD nations. The supply shortfall creates opportunities to provide development and expansion capital. After decades of domination by state-affiliated energy companies, there is an increasing need for increased exploration, development and production activities to keep pace with growth in demand. Consequently, asset owners are expected to have significant need for development and expansion capital.



Over the past few years, GDP growth rates in non-OECD countries have been approximately double the growth rates achieved in OECD countries. Meeting resource demands is critical to the ability of emerging markets to continue to sustain these high rates of economic growth. Changes in the economic, political and legal landscapes in certain emerging market countries have reduced the risks associated with investing in non-OECD countries.

INVESTMENT PROGRAM

Oppenheimer Global Resource Private Equity Fund I, L.P.

Investment Objective

The Fund's investment objective is to provide investors with long-term capital appreciation by investing in a diversified portfolio of select global resource private equity and equity-related investments within developed and developing market countries managed by experienced teams who we believe are capable of generating superior returns. However, there is no assurance that the Fund will achieve its investment objective.

Investment Strategy

The Fund intends to select and manage a diversified portfolio of global resource private equity and equity-related securities targeting investments in single assets and portfolios of assets, as well as in securities of companies that own, control, operate, generate, manage transport, develop technology for, or otherwise deal with, or support, Natural Resource and Related Assets. The Fund will seek to invest primarily in Underlying Funds which we believe possess distinct domain expertise and experience in a given natural resource sector, region or situation. However, the Fund also may make direct investments in private companies that own, control, operate, manage, transport, develop technology for, or otherwise deal with, or support, Natural Resource and Related Assets. The goal of the Fund's domain centric strategy is to produce top-quartile returns and to produce returns that are generally higher than those available through investments in the public markets. The Fund will seek to build a diversified portfolio to reduce risk as well as to maximize potential returns. Diversification is expected to be by resource type, geography, and vintage year. The Fund's primary focus will be to select Managers with deep concentrated knowledge and experience in a given resource market or sub-sector, geography or technology and a demonstrated ability to create value post investment. In addition to investing with various resource Managers, the Fund will consider opportunistic joint ventures and direct investments, provided, however, that such investments are not expected to represent more than 20% of the aggregate capital commitments to the Fund.

The Fund will concentrate its investment activities primarily on private equity funds having a control-oriented equity and equity-related investment strategy across the following sectors: energy, mined natural resources, consumable resources, resource utilization efficiency enhancement technologies, timber, water, resource transportation and distribution.

Regional and Industry Analysis

We have compiled macroeconomic data of various domestic and foreign economic regions for the last 20 years, as well as the regional industry data for the top 30 market sectors. The macro data is then overlaid with a political, currency devaluation and natural disaster weighting system whereby geographic regions are ranked based upon their risk profile.

Market sectors within geographic regions which we believe are investible from a macro risk standpoint are then evaluated based on size, trends, per capita investment, private equity penetration, barriers to entry and exit and potential for dramatic value shifts. Once the results of the geographic study and market sector study are combined, we will have a target list of favored potential regions and industries for investment.

Our investment analysis focuses on current conditions as well as the Fund's investment horizon. We anticipate that our Underlying Funds will invest their committed capital over the next three to four years

with a target exit time frame of three to five years after their investment period. Thus, we consider the investment climate of a given region and/or market sector over the next five to eight years.

Domain Centric Private Equity Funds

Historically, it is our belief that private equity has been a market built on inefficiencies. For example, we saw that access to capital and financial engineering were key differentiators in the market place in the 1980's. In the 1990's, with the proliferation of the internet these historical differentiators became less significant and those private equity firms with the best access to information became the top tiered firms. Information flow enhanced the ability of firms to compare and identify management talent, value proposition, and implementation of strategies. Prior to the proliferation of the internet, information flow was poor, resulting in inefficiencies in the availability of information in the market.

We believe this is no longer the case and that the key differentiator of the private equity market of the 21st century is specialization. Capital is flowing into private equity at a record pace and the number of private equity funds continues to grow. As a result, various industry reports cite that funds specializing in specific sectors and sub-sectors may be better positioned to exploit opportunities in their areas of specialty than larger, generalist funds. We believe this is true in natural resources as well. Many new funds will emerge as partners with a particular domain expertise in a given resource and leave their top tier generalist firms to create new specialist funds. Recent academic studies and performance data indicate that specialist firms outperform general private equity firms.²⁷ We believe new technologies, industry dynamics and blurred delineations have dramatically increased the level of distinguishing nuance and sophistication associated with a given opportunity. As such, investors require a much greater depth of knowledge and understanding to achieve consistent success and create value. Therefore, the central purpose of our fund selection process is to choose Underlying Funds that are highly focused on a given segment of the resource market and managed by a team with domain expertise and a history of creating value in their given resource. The Fund will also seek to invest in emerging Managers whose domain expertise offers a competitive advantage over incumbent funds.

Target Allocations

The Fund will target domestic and international private equity fund investments. While the Fund is not subject to any specific diversification requirements, the Fund will seek to allocate 50% of the Fund's Commitments in North America and 50% abroad.

These allocations may change over the life of the Fund at the discretion of the General Partner and without the consent of the Limited Partners.

Investment Period

The Fund has an investment period that ends on the later of December 31, 2009 or the first anniversary of the end of the Subscription Period for the Fund; provided that the General Partner may extend such period for up to one additional year. We refer to this period as the "***PE I Investment Period.***" We expect the Fund to be fully committed to Underlying Funds or reserved by the end of the PE I Investment Period.

Fund Investment Due Diligence Process

Our due diligence process for a prospective investment starts with the initial selection of regions and market sectors that we consider to be attractive opportunities. From this point, we will identify a universe of funds with domain expertise in a qualified region, market and/or industry sector. The list of

²⁷ Thompson Venture Economics as of December 31, 2006.

prospective investments is then reduced to funds raising new capital commitments during the PE I Investment Period.

Once the private equity funds are segregated by geography and industry, we then conduct an intensive review of:

- fund management;
- historical performance; and
- investment due diligence.

Fund Management

We place significant emphasis on the quality and experience of an Underlying Fund's management team. In evaluating the team, we look for length of time they have worked together, interdependence of the Managers, consistency in approach, adherence to investment objective, and uniqueness in strategy. This includes a detailed review of the competitive landscape, focusing on the breadth of proprietary investment sourcing as well as the level of alternative capital providers. Alternative capital providers can include other private equity funds, generalists and sector funds, as well as other capitalization vehicles (such as hedge funds, debt instruments and strategic partners).

We will consider investing with management teams who we believe have a history of adding value. We carefully review on a deal by deal basis, the abilities of a management team to identify a prospective portfolio company's value proposition, and implement strategies to realize value post investment. In addition to a historical analysis of the team's post investment value add strategies, we also consider management's forward looking value creation strategies.

We will select management teams that we believe are a strong, stable and cohesive group and who have developed a sound value added process which may result in successful investment exits.

Prospective Underlying Funds and Managers that satisfy our management and historical performance criteria are then subjected to reference and background checks with management, investors, lenders, intermediaries, sellers, prior portfolio companies and market participants.

Historical Performance

We benchmark historical returns against industry data as well as the Sponsor's internal data to evaluate the strength of a Manager's performance. We also evaluate performance on a risk adjusted basis, measuring a given fund's performance adjusted for the level of risk taken in the underlying investments. We next measure performance on an absolute basis and benchmark it against peers as well as the relevant public market indexes. We intend to emphasize the analysis of fund performance over multiple economic cycles. This process is designed to differentiate funds whose performance is driven by revenue, EBITDA growth, or increased margins versus those driven by multiple expansions or market timing. We believe that funds which are able to generate strong results through such traditional economic value creation in their investments are best positioned to enhance their returns during periods of multiple expansions or market timing.

A prospective fund's performance can differ drastically based on how it accounts for unrealized investment values. There is no single standard for establishing the carrying value of unrealized investments. Despite GAAP requirements, many Managers still carry unrealized investments at cost for years until they are written off or there is a realization event. Other Managers may incrementally adjust the value of an investment up or down quarterly, typically after a one-year holding period. We look for consistent application of a conservative valuation methodology when valuing unrealized investments. We test an Underlying Fund's valuation approach by comparing it to public market comparables and/or other

private comparables, to the extent available to evaluate their accuracy. From time to time, we may consult with a valuation expert to better assess an Underlying Fund's unrealized investment valuations.

Investment Due Diligence

We have developed a comprehensive due diligence process built solely to evaluate a private equity fund's investment due diligence process. Our due diligence review considers the prospective fund's due diligence process, information gathering, deal evaluation, peer review and parameters or metrics for investment approval. We also consider deal team diversity, length of time from identification to letter of intent and commitment restraint. The next level of review in our due diligence process assesses a fund's investment contingency planning. We believe that for each investment there is the potential that the original thesis for value creation will dissipate for any number of reasons. In analyzing a prospective fund, we will inquire about specific investments and whether a contingency plan was in existence for creating value at the time the deal was consummated.

Our experience with top tier Managers is that they will readily admit they have made an investment or several investments with realized negative returns. Our diligence process will assess what adjustments were made by the Manager to its investment due diligence process or investment committee selection criteria to minimize the risk of repeating the mistake. We then review subsequent deals to evaluate adjustments made to the Manager's investment process. We are highly skeptical of Managers with track records void of investment missteps. Our collective years of private equity investing and review of Managers and their funds has taught us that Managers who have had an individual fund perform below expectations are far better equipped for steering subsequent funds through a down economic cycle.

For international funds, we conduct several additional layers of due diligence, including a review of:

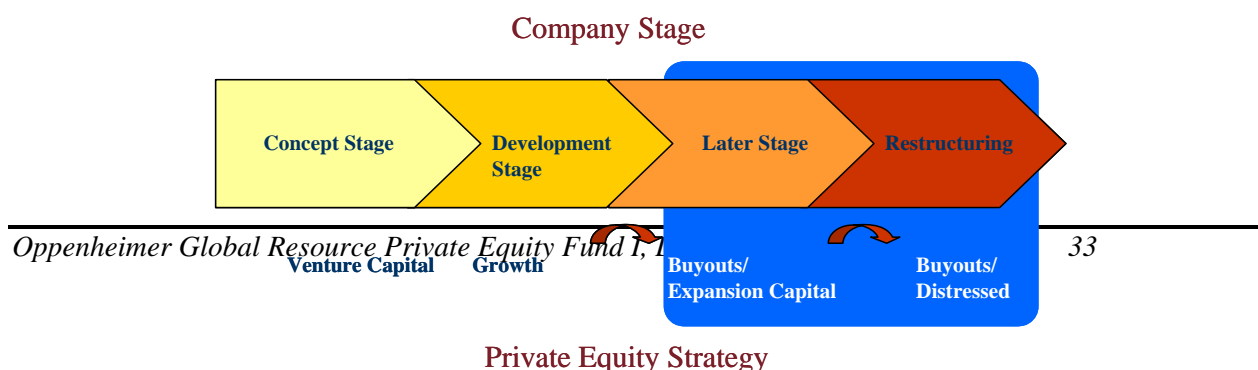
- local team size and experience
- access to local information
- sovereign relations
- understanding of investment exit markets
- precedent reconstruction

We typically will not invest with Managers that do not operate full-time in the region or country where they are investing because access to information is much more localized in international markets. Further, in many developing nations, a significant local investment team is required to ferret out the due diligence information required to analyze the potential of a target investment.

Overview of Private Equity Market

Private equity has become an important part of the diversified investment portfolio of sophisticated investors. As an asset class, private equity is one of the oldest forms of investing. Predating public markets, private equity has been the most widely used alternative asset over the last 100 years. In a macro sense, private equity is often defined as a security not publicly traded or registered with the SEC.

Private equity investments can take many different forms (direct purchase, limited partner, participating minority interest, etc). The most common uses of private equity today are buy-outs and venture capital. Both are structured investments in private companies by private equity firms. Buy-outs and venture



capital have distinct characteristics.

Buy-out funds traditionally focus on mature companies with stable cash flows and developed products and markets. They often use leverage (debt) as part of the acquisition financing. Typically, buy-out funds finance less than 50% of an investment with equity, with the remaining portion financed by leveraging the purchased assets. The bulk of buy-outs are done in control transactions with a three to five year investment horizon.

Venture capital funds invest much earlier in a company's life cycle. Venture funding can be used as seed capital to develop a product, as development capital to get a product to market or as growth capital to create a thriving business. These characteristics lead to venture capital funds being largely directed to developing industries, such as technology and healthcare, and in geographic regions like China and India.

Most private equity funds will fit into either the buy-out or venture sub-asset class. However, within each sub-asset class there are a growing number of "sector" specific or domain focused funds. These funds are managed by highly seasoned industry veterans that do either or both buy-out and venture investing within their given fields of expertise.

We have seen a significant growth in private equity in recent years, as measured by both assets under management and the number of investment firms. We believe that this growth has resulted from the fact that long-term returns on private equity funds have exceeded comparable public market benchmarks over the five, ten and twenty year time horizons.²⁸

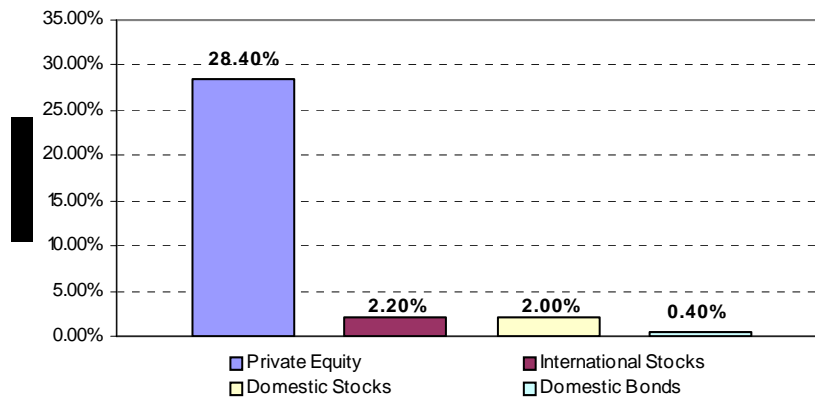
Why Private Equity Has Outperformed Public Markets

Public and private investment markets are significantly different. Investment in private equity is not based on efficient markets or strategies commonly used to invest in stocks and bonds. Private equity is a highly specialized field that requires professional expertise. Investors in public markets have relatively equal access to financial and other company information to make informed investment decisions. Every attractive investment opportunity is available to both the retail and institutional investor. In private markets, access to attractive investment opportunities is generally limited to a small number of institutional investors. Private equity funds typically conduct in-depth due diligence on all aspects of a company prior to investing and access confidential proprietary data in their review.

Unlike public market asset managers who trade public securities and whose returns generally cluster within a few hundred basis points of their benchmark, we believe top performing private equity managers have the potential to generate returns as high as several thousand basis points greater than their under performing counterparts. The following chart compares median and top quartile managers in the traditional (public) asset management space versus the private equity arena.

²⁸ Bloomberg, Cambridge Associates LLC US Private Equity Index, Frank Russell, Lehman Brothers Inc., Standard & Poor's and Thomson Data Stream (as of March 31, 2007).

**Return Spread Between Top-Quartile and Median Managers
Trailing 10 Year Period**



Data Source: Thomson Venture Economics, September 20, 2005.

Valuation of Private Equity Fund Assets

In valuing the Fund's investments in Underlying Funds, the General Partner will defer to the Underlying Fund's Manager's valuation of such Underlying Fund.

MANAGEMENT OF THE FUND

General Partner and Opco

The General Partner of the Fund is Oppenheimer Alternative Investment Management, LLC. The General Partner is an affiliate of the Sponsor. The General Partner will provide the Fund with investment advisory services primarily with the assistance of employees of the Sponsor, including the Investment Professionals.

Investment Professionals

Brian Williamson and Patrick Kane (together, the “*Investment Professionals*”) will manage the Fund’s assets and investments. They work closely with their due diligence and research team which is comprised of Sarfraz Lalani and Joon-Young Choi. The Investment Professionals and their research team have significant experience in private equity and alternative investments.

Brian Williamson,

Managing Director, Private Equity

Brian Williamson has been in the private equity industry since 1995. Brian is currently the co-fund manager for Oppenheimer Private Equity I, the Oppenheimer Private Equity Co-Invest Fund and the Advantage Advisors Private Equity Partners LP (subsequent to the investment period). Prior to joining Oppenheimer in 2005, Mr. Williamson was the President and Chief Operating Officer for The Harbor Group, a private equity backed energy investment, trading and risk management firm in New York. At Harbor he was charged with building an intensive systemic process for transaction evaluation, due diligence and execution. Mr. Williamson also oversaw the creation, trading and risk management of exotic energy and weather trading products in various world markets. Prior to The Harbor Group, Mr. Williamson was a founding member of Numoda Corporation, a venture backed wireless technology company currently serving the drug discovery industry. Mr. Williamson began his career at Arthur Andersen as part of its Tax and Business Advisory Services Practice. While at Andersen he worked with Fortune 500 and FTSE 100 companies (Air Products, Crown Cork and Seal, Armstrong Industries, Smiths Industries and Total) and private equity firms in evaluating investment opportunities and conducting extensive due diligence on transactions. As a manager at Arthur Andersen, Mr. Williamson led a team selected by the Commonwealth of Pennsylvania’s Governor Ridge to spearhead the state’s internal capital investment review and evaluation process.

Mr. Williamson has written and spoken in various national and international venues on understanding risk, risk evaluation and risk management as it relates to private transactions.

Mr. Williamson holds a law degree from Widener University School of Law, where he served as law review editor and was a national moot court semi-finalist. He also holds a Bachelor of Science in Accounting from LaSalle University with honors.

Patrick Kane,

Senior Managing Director

Head of Alternative Investments Group

Patrick Kane has worked in the alternative investments industry since 1989. Mr. Kane is responsible for the overall management of Oppenheimer’s Alternative Investments Group, overseeing in excess of \$2.5 billion in assets. Patrick has led the expansion of the Alternative Investments Group in private equity and natural resources. He serves as co-fund manager for the Oppenheimer Private Equity Fund I, L.P. and Advantage Advisers Private Equity Partners, L.P. (subsequent to the investment period) and on the

investment committee of the Advantage Advisers Whistler Fund, L.L.C. and the PNC Long-Short Master Fund LLC.

Prior to joining the firm in 2001²⁹, Mr. Kane worked for Dunbar Capital Management, a boutique fund of funds manager. Mr. Kane previously worked for Brandywine Asset Management (1991-1999), a hedge fund manager in Thornton, PA. At Brandywine, he was the Director of Trading, responsible for all trading on the managed futures and statistical arbitrage market-neutral equity hedge funds. Before that, he worked for Tricon Investments (1989-1991), a managed futures firm in Somerset, N.J.

Mr. Kane has spoken at numerous industry conferences on a variety of topics and has served on the National Funds Association Trading and Markets committee.

Mr. Kane holds a Bachelor of Science in Accounting from University of Scranton.

Research Team

Sarfraz Lalani, *Vice President*

Sarfraz Lalani has worked in the asset management industry since 1998. Mr. Lalani is the co-leader, with Mr. Choi, of global private equity research for Oppenheimer's Alternative Investments Group. The global research team is responsible for the sourcing, screening and due diligence of private equity managers. He is responsible for the presentation of new investment candidates to the investment committee. Mr. Lalani's geographic area focus includes North America and Europe. Mr. Lalani maintains a proprietary transactional due diligence database that analyzes new trends, predictors and their potential risk compounding sequences.

Prior to joining Oppenheimer in August 2002³⁰, Mr. Lalani worked as a due diligence analyst focused on alternative investment risk management at Sceptre Investment Counsel.

Mr. Lalani holds a Bachelor of Science Degree in biology and environmental science from The University of Western, London, Ontario.

Joon-Young Choi *Vice President*

Joon-Young Choi has worked in private equity since 1999. Mr. Choi is the co-leader, with Mr. Lalani, of global private equity research for Oppenheimer's Alternative Investments Group. The global research team is responsible for screening and performing qualitative and quantitative due diligence of private equity managers. He is responsible for the presentation of investment manager candidates to the investment committee. Mr. Choi's geographic area of focus includes North America and Asia. Mr. Choi is also the lead underwriter and deal team head for all co-investment opportunities.

Prior to joining Oppenheimer, Mr. Choi worked as a private equity due diligence analyst and associate most recently in the London office of Hamilton Lane Advisors. He also spent two years as a Venture

²⁹ Tenure with the firm includes tenure with CIBC World Markets Corp. which sold its US asset management business to Opco in 2003.

³⁰ Tenure with the firm includes tenure with CIBC World Markets Corp. which sold its US asset management business to Opco in 2003.

Capital analyst based in Seoul Korea and Hong Kong evaluating early stage technology investment opportunities.

Mr. Choi holds a Bachelor of Arts Degree in Economics from Harvard University.

Oppenheimer Asset Management Inc. and Oppenheimer & Co. Inc.

The Sponsor of the Fund is Oppenheimer Asset Management Inc., an investment adviser registered under the Investment Advisers Act. Oppenheimer & Co. Inc., an affiliate of the Sponsor, is a leading national investment boutique that provides financial services and advice to high net worth individuals, businesses and institutions. The Oppenheimer organization has extensive knowledge and experience in the management of alternative investments, including private equity investment funds. The Sponsor and its affiliates oversee approximately \$2.5 billion in alternative investments.

SUMMARY OF PRINCIPAL TERMS OF THE PARTNERSHIP AGREEMENT OF THE FUND

The following is a summary of the terms of the Amended and Restated Limited Partnership Agreement of the Fund (the “**Partnership Agreement**”). This description of the Partnership Agreement is qualified in its entirety by, and should be read in conjunction with, the Partnership Agreement. A full copy of the Partnership Agreement is part of the Subscription Package made available to prospective investors. Capitalized terms used in this summary have the meanings set forth in **Annex 1** of the Memorandum.

The Fund	The Fund was formed as a Delaware limited partnership on September 24, 2007. The Fund will invest in Underlying Funds with a focus on Natural Resource and Related Assets. The Fund may also make selective direct investments in joint ventures, partnerships, companies or other securities in a manner consistent with its investment strategy. The Fund had its first closing in April 2008. At this first closing, the Fund received \$28 million in capital commitments.
General Partner	The General Partner of the Fund is Oppenheimer Alternative Investment Management, LLC, a Delaware limited liability company. The General Partner is an affiliate of the Sponsor. The General Partner will provide investment advisory services to the Fund with the assistance of employees of the Sponsor, including the Investment Professionals.
The Offering	<p>The Fund is offering investors the opportunity to subscribe for limited partnership interests denominated in units (the “Units”). Investors may subscribe for Class A Units or Class B Units in the Fund. The Fund is seeking \$200 million in aggregate commitments although the General Partner reserves the right in its sole discretion, to increase or decrease the size of the Fund. Capital commitments to the Fund, including by the OGR Fund, are referred to herein as the “PE Commitments.”</p> <p>Investors subscribing for interests in the Fund will become limited partners of the Fund (“Limited Partners”). The OGR Fund will be a Limited Partner.</p> <p>There will be no minimum amount of subscriptions necessary for the Fund to have an initial closing.</p>
The Units	The Fund will offer investors the opportunity to subscribe for Class A Units and Class B Units, which shall have the rights and obligations set forth herein.
The OGR Fund’s Units in the Fund	<p>The OGR Fund will subscribe for Class C Units in the Fund, which Units will have economic rights which correspond to the Class A Units or Class B Units, as applicable, held by the other Limited Partners in the Fund.</p> <p>Class C Units in the Fund will be designated as Class C/A Units (in respect of Class C Units tracking capital invested by the holders of OGR 2007 Class A Units) or Class C/B Units (in respect of Class C Units</p>

tracking capital invested by the holders of OGR 2007 Class B Units).

Offering Period.....

The General Partner intends to offer the Class A Units and Class B Units of the Fund until April 30, 2009. The General Partner, in its sole discretion, may offer such Units for an additional six months after such date. The period during which new subscriptions may be accepted and Units may be issued by the Fund is referred to herein as the “*Subscription Period*”.

Minimum Investments.....

The minimum investment for a Class A Unit in the Fund is \$500,000. For a Class B Unit in the Fund, it is \$5,000,000.

The General Partner has made the following four exceptions to the \$5,000,000 minimum requirement for Class B Units:

(i) all funds invested by investors affiliated with the Limited Partner (including family members of the Limited Partner) (the “*Affiliated Investors*”) will be aggregated and, if together they exceed \$5,000,000, then each such Affiliated Investor will receive Class B Units;

(ii) if the Limited Partner (together with its Affiliated Investors and taking into account investments made by all such investors in the Fund, the OGR Fund and the Hedge Fund (including any offshore funds or parallel funds associated with any of such funds)) is seeking to make an investment in the Fund that in the aggregate is less than \$5,000,000 but is nonetheless substantial in the view of the General Partner and if the Limited Partner (together with its Affiliated Investors) currently has at least ten million dollars (\$10,000,000) in the aggregate invested in other alternative investment vehicles sponsored by the Sponsor or advised by the General Partner, the General Partner may, in its sole discretion, allow the Limited Partner to acquire Class B Units;

(iii) if the Limited Partner (together with its Affiliated Investors and taking into account investments made by all such investors in the Fund, the OGR Fund and the Hedge Fund (including any offshore funds or parallel funds associated with any of such funds)) is seeking to make an investment in the Fund that is in the aggregate at least \$500,000 and if the Limited Partner’s investment (together with those investments of its Affiliated Investors) is the result of a recommendation made by a financial advisor or consultant that (x) is not an Affiliated Financial Advisor and is not otherwise an affiliate of either the Sponsor or the General Partner and (y) has recommended investment in the Fund, the OGR Fund or the Hedge Fund (including any offshore funds or parallel funds associated with any of such funds) to other investors that have (taking into account investments made by the Limited Partner and its Affiliated Investors) collectively made investments in any one or more of the Fund, the OGR Fund or the Hedge Fund (including any offshore funds or parallel funds associated with any of such funds) that are in the aggregate at least \$5,000,000, the General Partner may, in its sole discretion, allow the Limited Partner to acquire Class B Units; and

(iv) additional investments by the Limited Partner and its Affiliated Investors in the Fund will be aggregated with prior investments made by

the Limited Partner and its Affiliated Investors in the Fund, the OGR Fund and the Hedge Fund and, if together they exceed \$5,000,000 at any time, then the Limited Partner will receive (and the capital account relating to all prior capital contributions of the Limited Partner will be deemed to have been withdrawn and the proceeds of such deemed withdrawal shall be deemed to have been used to purchase) Class B Units in the Fund effective as of such time. For purposes of such aggregation, a Limited Partner's investment will be calculated based on the net asset value of such Limited Partner's investment in the Hedge Fund (or any offshore fund or parallel fund associated therewith) and the Liquid Asset Vehicle, the amount of capital contributed by such Limited Partner to the Fund (directly or indirectly through the OGR Fund or any offshore fund or parallel fund associated with the Fund or the OGR Fund) and the amount, if any, committed directly but not yet contributed by the Limited Partner to the Fund (or any offshore fund or parallel fund associated with the Fund).

Investors seeking to qualify for Class B Units under the exceptions to the minimum requirement set forth in clauses (i) and (ii) above must qualify based on disclosures made in their initial subscription documents.

Terms of the Fund.....

The Fund term will continue until the earlier of (i) the winding up of the Fund's last remaining PE Investment Asset and distribution of the proceeds thereof; and (ii) such date as the Fund has disposed of all of its assets and satisfied all of its obligations.

**Contribution of
General Partner**

The General Partner will contribute to the Fund an amount equal to at least 0.20% of the aggregate contributions made to the Fund. The General Partner has contributed 1% of the aggregate contributions made to the Fund to date and presently intends to maintain its level of investment in the Fund at such 1% level.

Capital Calls

The Limited Partners will make capital contributions to the Fund as capital is called by the Fund.

The General Partner expects to provide at least ten business days notice for a capital call. After the PE I Investment Period (as defined below), the General Partner will only be permitted to call capital to (i) pay expenses, including liabilities and indemnification obligations relating to investment assets owned by the Fund, (ii) satisfy any other obligations with respect to PE Investment Assets, and (iii) make follow-on investments in Direct PE Investments.

The General Partner may borrow or otherwise arrange financings on behalf of the Fund if the General Partner determines that borrowed funds are necessary to fund capital calls by an Underlying Fund. The General Partner does not expect the aggregate amount of such borrowings outstanding at any one time to exceed 30% of the PE Commitments.

Expenses associated with borrowed funds will be expenses of the Fund

except that Limited Partners (including the OGR Fund) in the Fund not meeting their capital call will bear any such expenses (pro rata in proportion to unmet capital calls) incurred after the due date of the capital call.

**Private Equity Fund Investment
Period**

The investment period of the Fund (“**PE I Investment Period**”) will end on the later of December 31, 2009 or the date that is one year after the end of the Subscription Period for the Fund; provided that the General Partner may extend such period for up to one additional year. The General Partner will not be permitted to form another pooled investment fund that has an investment strategy and targets investments substantially similar to those of the Fund as described in this Memorandum until the earlier of the end of the PE I Investment Period or the date as of which the Fund is 70% invested, reserved or committed.

Management Fee

The Fund will pay Oppenheimer & Co. Inc., an affiliate of the Sponsor (“**Opco**”), an annual management fee (the “**Management Fee**”). The Management Fee will be payable quarterly in advance.

The Fund will pay Opco a Management Fee equal to (i) 1.00% of the aggregate PE Commitments attributable to Class A Units held by direct investors in the Fund, (ii) 1.00% of the aggregate capital contributions made from the OGR Fund attributable to Class C/A Units therein held by the OGR Fund, (iii) 0.75% of the aggregate PE Commitments attributable to Class B Units held by direct investors in the Fund, and (iv) 1.00% of the aggregate capital contributions made from the OGR Fund attributable to Class C/B Units therein held by the OGR Fund.

After the expiration of the PE I Investment Period, the foregoing Management Fee to be paid by direct investors in the Fund will be based on capital committed or invested with respect to PE Investment Assets and not on PE Commitments.

Fund Expenses.....

Opco will pay certain management expenses including salaries and costs associated with office space. The Fund will be responsible for all other expenses related to its own operations (collectively, the “**Fund Expenses**”). Fund expenses include, but are not limited to, Management Fees; fees of any investment advisor or sub-advisor retained by the Fund; sales or other taxes that may be assessed against the Fund; the costs and expenses incurred in connection with the identification, evaluation, selection, analysis, diligence review, purchase, holding or sale or other liquidation of investments; costs of any valuation experts or other consultants retained by the Fund in connection with the initial or ongoing evaluation of PE Investment Assets; fees for bookkeeping, record keeping and transfer agent services and other similar services relating to the affairs of the Fund, the General Partner, and any investment adviser retained by the Fund; fees and expenses charged to the Fund by Underlying Funds; transaction costs and interest expense for money borrowed by the Fund; costs and expenses attributable to third party service providers engaged to provide administrative services to the Fund; third party fees and expenses

attributable to accounting, auditing, appraisal, legal, custodial, and registration services provided to the Fund; third party expenses associated with the preparation of tax returns and K-1's; the costs of insurance coverage for the Fund and its affiliates; interest and taxes related to the origination, purchase, holding or sale by the Fund of any investment; costs incurred in registering (or obtaining exemptions from registration for) investments with the SEC, state securities commissions and any securities exchange or any other similar authority; other third party costs of origination, purchase, holding and sale of investments, including commissions and expenses directly related to the purchase and sale of securities by the Fund; all expenses relating to litigation and threatened litigation involving the Fund; fees or other expenses incurred in connection with the investigation, prosecution or defense of any claims by or against any governmental authority, agency or body; reports to governmental authorities; any regulatory filing fees; the preparation of annual audits of the Fund and other reports to the Limited Partners; and all other third party expenses properly chargeable to the activities of the Fund. The Fund expects to enter into a third party administration agreement pursuant to which the third party administrator will perform certain administrative, accounting and investor services for the Fund. The Fund will pay the third party administrator a customary fee for these services.

Organizational Expenses

The Fund, the OGR Fund and the Hedge Fund will be responsible for expenses up to \$1,000,000 incurred in connection with the organization of the Fund, the OGR Fund, the Hedge Fund (including any offshore fund or parallel fund associated with any such fund) and the Liquid Asset Vehicle. Each of the Fund, the OGR Fund and the Hedge Fund will bear the portion of such expenses which is directly attributable to the organization of that fund (including any offshore fund or parallel fund associated with such fund). Expenses directly attributable to the Liquid Asset Vehicle will be considered direct expenses of the OGR Fund. Thus, the Fund will pay all expenses incurred in connection with the organization of the Fund which are directly attributable to the organization of the Fund (including any offshore fund or parallel fund associated with the Fund, including the Offshore Private Equity Fund (defined below)). In addition, the Fund will pay a portion of any expenses that are not directly attributable to any of the Fund, the OGR Fund and the Hedge Fund (including any offshore fund or parallel fund associated with any such fund) ("**Indirect Expenses**") equal to the product of such Indirect Expenses, multiplied by a fraction the numerator of which is the total PE Commitments on the date on which such expenses are paid or allocated, and the denominator of which is the total PE Commitments plus the net value of the Liquid Asset Vehicle, plus the net asset value of the Hedge Fund on such date. Investors in the Fund (including the OGR Fund) will bear the Fund's organizational expenses in proportion to their relative PE Commitment as a percentage of all PE Commitments and will share in all organizational expenses of the Fund and any Offshore Fund or Parallel Fund and all Indirect Expenses on an aggregate basis as if the Fund and such Offshore Fund or Parallel Fund were one entity.

**Additional or Increasing
Investors; Subsequent**

Closings

The Fund had its first closing in April 2008. At this first closing, the Fund received \$28 million in capital commitments. The Fund expects to hold multiple closings at which investors will be admitted as Limited Partners of the Fund. Likewise, the OGR Fund expects to hold multiple closings at which investors are admitted as Limited Partners of the OGR Fund. When new capital is invested in the Fund by a direct investor in the Fund, or when new capital is invested in the OGR Fund and the OGR Fund therefore increases its commitment to the Fund, such direct investor will be treated as an additional or increasing limited partner of the Fund and the OGR Fund will be treated as an increasing limited partner of the Fund, as applicable. In such cases, such direct investor and the OGR Fund, if applicable, will have to bear its proportionate share of Organizational Expenses of the Fund and Management Fee paid by the Fund since inception of the Fund, so as to put the direct investor or the OGR Fund, as applicable, in the same position with respect to such new or increased commitment as it would have been had such new or increased commitment existed from inception of the Fund.

Underlying Fund Level

Expenses.....

The expenses of each Underlying Fund are expected to include management and incentive fees (or allocations) payable to the Underlying Funds' Managers; organizational and offering costs; brokerage commissions incurred in portfolio trading; costs associated with leverage; legal, auditing and custodial fees and other operating expenses. These expenses will be paid out of Underlying Fund assets and, accordingly, will reduce the value of the Fund's investment therein.

Underlying Funds are expected to charge management fees ranging from 1% to 2% of the capital committed to the Underlying Fund, as well as to pay a carried interest to the managers of the Underlying Fund equal to 10% to 20% of profits earned on investments by the Underlying Fund. These management fees and carried interests could be more or less than the percentages described above. Such carried interest may be calculated on a net cumulative or deal by deal basis depending upon the Underlying Funds terms and conditions. Distributions received by limited partners, including the Fund, in the Underlying Fund may also be subject to required re-contribution in the event the Underlying Fund experiences expenses for which its assets are insufficient.

Incentive payments create an incentive for such Managers to take positions that may be highly speculative and may involve significantly more risk than such Manager would have been prepared to take had such Managers' compensation not depended on high profits.

Cash Distributions

Cash distributions will be made by the Fund in such amounts as the General Partner determines is available for distributions ("**Distributable Cash**") and in accordance with the following order and priority:

1. First, 100% to all Partners in proportion to their contributed capital until they have received an 8% return (compounded annually) on their unreturned capital contributions

(the “**Preferred Return**”) which will accrue from the date the capital is contributed to the Fund;

2. Second, 100% to all Partners in proportion to their contributed capital until the amount of their unreturned capital is zero;

3. Third, 100% to the General Partner until the General Partner has received pursuant to this paragraph (3) an amount that is equal to (a) 10% of the cumulative distributions made (or deemed made by reason of Tax Distributions) to holders of Class A Units and Class C/A Units (inclusive of any Class A Units owned by the General Partner) under paragraph (1) and this paragraph (3); and (b) 5% of the cumulative distributions made (or deemed made by reason of Tax Distributions) to holders of Class B Units and Class C/B Units (inclusive of any Class B Units owned by the General Partner) under paragraph (1) and this paragraph (3); and

4. Fourth, (a) 90% of the Class A Amount to the holders of Class A Units and the Class C/A Units (inclusive of Class A Units owned by the General Partner), with the remaining 10% of the Class A Amount to the General Partner; and (b) 95% of the Class B Amount to the holders of Class B Units and the Class C/B Units (inclusive of Class B Units owned by the General Partner), with the remaining 5% of the Class B Amount to the General Partner. For this purpose, the “**Class A Amount**” and “**Class B Amount**” shall equal the product of the aggregate distributions to be made under this paragraph 4, multiplied by a fraction the numerator of which is the total contributions to the Fund made in respect of Class A Units and Class C/A Units and Class B Units and Class C/B Units, respectively, and the denominator of which is the total contributions made to the Fund.

The amounts distributed to the General Partner pursuant to paragraph (3) and the 10% and 5% amounts distributable to the General Partner pursuant to paragraph (4) above are referred to in this Memorandum as the “**Carried Interest**.” The Carried Interest will be distributed to the General Partner and not reinvested.

Reinvestment of Proceeds.....

All cash proceeds attributable to a distribution (other than Tax Distributions) received by the Limited Partners on account of an investment made by the Fund in a PE Investment Asset will be callable for recontribution to the Fund as provided below:

(i) The General Partner may retain or call for recontribution distribution proceeds to the Fund for further reinvestment in the PE Investment Asset that made the distribution (the “**Distributing PE Asset**”) to the extent such distribution proceeds are callable by the Distributing PE Asset pursuant to commitments made by the Fund to the Distributing PE Asset; and

(ii) The General Partner may retain or call for recontribution the distribution proceeds to the Fund for investment in a PE Investment Asset that is not the Distributing PE Asset to the extent (a) such

distribution proceeds were received by the OGR Fund within twelve (12) months after the Private Equity's investment in the Distributing PE Asset, and (b) the Fund's investment period has not terminated.

Tax Distributions	The General Partner expects to cause the Fund to make tax distributions (to the extent of Distributable Cash), to the Limited Partners. If made, the General Partner expects the amount of such tax distributions to equal the product of all net taxable profits earned by the Fund, multiplied by the lesser of (i) 40% and (ii) the combined effective federal and state income tax rate attributable to the Partner residing in the state which imposes the highest rate of income tax on ordinary income (" <i>Tax Distributions</i> "). Tax Distributions will be treated as an advance payment of, and in the same order and priority as, cash distributions that would be made by the Fund.
Capital Accounts of the Fund.....	The Fund shall maintain for each Partner a capital account (each a " <i>Capital Account</i> ") that shall be credited with the Partner's capital contributions to the Fund when made, its share of the net profit of the Fund, and any other credits called for under the Fund Partnership Agreement. The Capital Account shall be charged with the amount of any distributions to the Limited Partner, such Limited Partner's share of the Management Fee paid by the Fund, its share of any net losses of the Fund, and any other charges called for under the Subsidiary Fund Partnership Agreement.
Distributions In Kind.....	Any distribution received in kind by the Fund from a PE Investment Asset may be distributed in kind to the Partners having an interest therein. Property distributed in kind will be valued at the amount ascribed to it by the PE Investment Asset making the distribution at the time of such distribution.
Allocations of Gains and Losses	Profits, gains, deductions and losses (both realized and unrealized) generally will be allocated to the holders of Units in the Fund in accordance with how cash would be distributed if it were distributed to such holders.
Clawback	Upon liquidation of the Fund, the General Partner will be required to return any excess Carried Interest received, net of amounts paid in respect thereof to satisfy tax liabilities attributable to the Carried Interest.
Failure to Make Capital Contributions.....	<p>To the extent that a direct holder of Class A Units or Class B Units in the Fund fails to pay any portion of a capital call in full when due, the General Partner may impose any one or more of several remedies enumerated in the Partnership Agreement, including forfeiture of a portion of the defaulting partner's capital account or requiring a sale of the defaulting partner's Class A Units or Class B Units.</p> <p>In the event a sanction is applied against the Fund by any of the Underlying Funds including, without limitation, for failure to fully fund its capital commitment to such Underlying Fund, and such failure is attributable to the failure of a particular partner of the Fund (other than</p>

the OGR Fund) to fund his or its PE Commitment, the relevant sanction applied by the Underlying Fund against the Fund will be visited, to the maximum extent possible, solely upon that holder.

The OGR Fund is not subject to the remedies applicable to any direct holder of Class A Units or Class B Units if they default on their PE Commitments. Instead, expenses of any borrowing incurred to allow the OGR Fund time to meet its capital call will be allocated to the OGR Fund.

Transferability of Units

Units in the Fund will generally not be transferable without the prior consent of the General Partner, which may be withheld by the General Partner in its sole discretion, for any reason whatsoever.

Indemnification

The following persons are granted rights to indemnification under the Partnership Agreement: (i) the General Partner, (ii) the Sponsor, (iii) Opco, (iv) any investment advisor or sub-advisor, (v) the Investment Professionals, (vi) any liquidating trustee, (vii) any affiliate of the General Partner, Sponsor, Opco, any investment advisor, any sub-advisor or any liquidating trustee, (viii) any investor who at the request of the Sponsor, General Partner or the Fund serves as a consultant or agent of the Fund or the General Partner, and (ix) each of the officers, managers, stockholders, partners, members, directors, employees, agents, counsel, representatives and incorporators of the Sponsor, General Partner, Opco, any investment advisor, any sub-advisor or any liquidating trustee and their respective affiliates, limited partners, members or shareholders; (x) trustees of any of the foregoing; (xi) controlling persons of any of the foregoing; (xii) successors, assigns and personal representatives of any of the foregoing; and (xiii) any other Person who serves at the request of the General Partner on behalf of the Fund as a partner, member, officer, director, employee or agent of any other Person (and each of their respective heirs and legal and personal representatives), each an “**Indemnified Person**”).

In general, if an Indemnified Person has acted in an appropriate manner, such person will not be liable for any loss suffered by the Fund or any Partner that arises out of any action or inaction of such Indemnified Person. Each Indemnified Person will be indemnified by the Fund against all expenses (including attorneys’ fees), judgments, losses (including losses due to trade error caused by any Indemnified Person), damages, fines and amounts paid in settlement actually and reasonably incurred in connection with any threatened or actual claim, action, suit or proceeding, either during the Indemnified Person’s incumbency or thereafter, by reason of the Indemnified Person’s direct or indirect involvement with the Fund including, without limitation, any investment decisions. Notwithstanding the above, indemnification shall not exceed the maximum level permitted under applicable federal, state or other laws and any non-waivable rights that a Limited Partner may have under applicable law shall not be deemed to have been waived.

Expenses, including attorneys’ fees, incurred by an Indemnified Person in defending any claim, action, suit or proceeding will be paid by the Fund in advance of the final disposition of such claim, action, suit or

proceeding upon receipt of a written undertaking by or on behalf of the Indemnified Person to repay such amounts if it is ultimately determined that indemnification of such Indemnified Person with respect to such expenses is not authorized under the Partnership Agreement.

Indemnification payments will be Fund Expenses and no Partner will have personal liability for them except as set forth in “*Partners’ Giveback*” below.

Liability of the Limited

Partners.....

The Limited Partners will have no right to participate in or control the management of the Fund. Any right of a Limited Partner to vote or consent to any action of the General Partner is strictly limited. Except as required by law or under “*Limited Partners Giveback*” below, the liability of a Limited Partner for the losses, debts and obligations of the Fund will be limited to its PE Commitment to the Fund.

Limited Partners’ Giveback....

The General Partner may, in its sole discretion, require Limited Partners in the Fund to return distributions made to each such Limited Partner for the purpose of meeting such Limited Partner’s pro rata share of the Fund’s obligations, including without limitation, indemnification obligations referred to above, those required in connection with the disposition of an investment in a Direct PE Investment or to satisfy an obligation to return distributions to an Underlying Fund. No such return may be required after the second anniversary of the termination of the Fund.

Amendments.....

The General Partner, without requiring the consent of any Limited Partner of the Fund, may make amendments to the Partnership Agreement that do not materially and adversely affect the rights of any Limited Partner of the Fund or any class or series of such Limited Partners. In the event an amendment would materially and adversely affect the rights of any Limited Partner of the Fund, the consent of the affected Limited Partner or the class or series of affected Limited Partners, as the case may be, will be required. Any such amendment will require the affirmative consent of Limited Partners representing at least 66 2/3% of the Partnership Interests (as defined and determined in the Partnership Agreement) of the class or series of Limited Partners materially and adversely affected by such change.

Removal of General Partner ...

Direct and indirect investors in the Fund (including investors in Oppenheimer Global Resource Private Equity Offshore Fund I, Ltd. (the “*Offshore Private Equity Fund*”)) holding a majority of the Units of the Fund held directly or indirectly by all investors in the Fund (excluding any Units held by the affiliates of the General Partner, the Investment Professionals or their affiliates) may elect to remove the General Partner of the Fund at any time and for any reason upon no less than ninety (90) days notice. Upon removal of the General Partner (a “*GP Removal Event*”), the Fund will be dissolved and liquidated unless such investors holding at least 80% of the Units held directly or indirectly by all investors in the Fund elect a new general partner (the “*New General Partner*”) to continue the Fund within thirty (30) days after the making of the election to remove the General Partner. If there is no election to

continue, then holders of a majority of the Units of the Fund held by all investors of the Fund (including the Offshore Private Equity Fund) shall elect a liquidator (the “**PE Liquidator**”), and the business and affairs of the Fund and the Offshore Private Equity Fund shall thereupon be wound up by the PE Liquidator..

Investors in the Offshore Private Equity Fund are entitled to vote on an indirect basis in any vote taken with respect to a GP Removal Event. In any such vote, the Offshore Private Equity Fund is required to cast its vote (as a limited partner in the Private Equity Fund) in the proportion as directed by the Investors in the Offshore Private Equity Fund in a manner consistent with that described under “Pass-through Voting Generally” below.

**Exercise of Right to Remove the
General Partner**

Any investors holding at least 5% of the units held by all investors in the Fund and in the Offshore Private Equity Fund (“**Offshore Private Equity Investors**”) (excluding any units held by the affiliates of the General Partner, the Investment Professionals or their affiliates) shall be entitled to cause the General Partner to solicit the vote of all such investors with respect to a GP Removal Event.

If any investors holding such 5% amount provide written notice to the General Partner of their desire to exercise the rights set forth in the immediately preceding paragraph, then the General Partner shall forward such notice, together with such other information as is required or permitted, to all direct investors in the Fund and all Offshore Private Equity Investors, to solicit the investors’ votes on the removal issue. After a vote is taken on a GP Removal Event, the General Partner will notify all direct investors in the Fund and all Offshore Private Equity Investors of the results.

**Pass-Through Voting
Generally**

In the event that the Fund solicits, or receives a solicitation from, other investors of the Fund to exercise any of the voting rights set forth under the Partnership Agreement (including, without limitation, the right of the limited partners of the Fund (including the OGR Fund and the Offshore Private Equity Fund) to remove the General Partner of the Fund and the right to elect a new general partner and to continue the Fund notwithstanding any such removal, and all matters respecting the Fund that the Offshore Private Equity Fund is entitled to vote upon, all of which collectively are referred to herein as the “**Private Equity Fund Proposals**”), the General Partner shall solicit the vote or consent of all direct and indirect holders of limited partnership interests in the applicable entity, and shall vote the interests so as to have the same effect as if the indirect investors owned interests in the Fund directly.

**Use of Alternative Investment
Vehicles**

If the General Partner determines that for legal, tax, regulatory or other reasons it is in the best interest of the Fund that all or any portion of one or more investments should be made through an alternative investment structure, the General Partner is permitted to structure the making of all

or any portion of such investment outside of the Fund by requiring one or more Partners to invest their share of such investment through a separate limited partnership, limited liability company or other alternative investment structure that is treated as a pass-through for federal income tax purposes.

All alternative investment vehicles will, to the extent practicable, co-invest with the Fund in all investments made by the Fund, on the same terms and at the same time as the Fund, in an amount generally determined on the basis of the relative aggregate capital commitments of the Fund and the capital commitments to the alternative investment vehicle that are available for investment.

The costs of establishing and operating any such alternative investment vehicles will be considered Fund Expenses and borne by the Partners in the Fund (including those investing in or through such alternative investment vehicle) on an aggregate basis as if such alternative investment vehicle and the Fund were one entity.

Each Partner who invests through an alternative investment vehicle will have the same economic interest in all material respects in the Fund or any investments in a PE Investment Asset made through such alternative investment vehicle as such Partner would have had if such Partner's investment in such alternative investment vehicle had been made in the Fund and if the investment in such PE Investment Asset had been made solely by the Fund.

Allocations and distributions will be determined as if the Fund or PE Investment Asset, as applicable, investment made by such alternative investment vehicle were Fund interest in a PE Investment Asset.

Offshore Funds and Parallel Funds.....

The Sponsor, General Partner or Opco may form an offshore investment vehicle (an “*Offshore Fund*”) or parallel investment vehicles (each a “*Parallel Fund*”), in each case which will invest in or together with, and on the same basis as, the Fund. If the General Partner so determines, such investment may be made through a master fund structure through which the Fund may hold its investments. Partners in the Offshore Fund or Parallel Fund will bear the same Management Fee and Carried Interest as those in the Fund and will share in all organizational expenses of the Fund and any Offshore Fund or Parallel Fund and all Indirect Expenses on an aggregate basis as if the Fund and such Offshore Fund or Parallel Fund were one entity.

Investors desiring to subscribe for units in the Offshore Fund or Parallel Fund will generally be required to follow the same procedures as investors in the Fund, except that they will have a different Subscription Package. Any Offshore Fund or Parallel Fund so formed will not be registered under the Investment Company Act and interests in it will not be registered under the Securities Act.

Percentage-based rights in the Fund's Partnership Agreement may be calculated as if all owners in the Offshore Fund or Parallel Fund were

direct owners in the Fund.

Benefit Plan Investors.....	Investment in the Fund is generally open to employee benefit plan investors. The Fund requires certain representations or assurances from those employee benefit plans that are subject to ERISA or the Code to determine compliance with the provisions of ERISA and/or the Code. The General Partner intends to limit participation in the Fund by “benefit plan investors” (generally, plans subject to Part 4 of Title I of ERISA or plans to which section 4975 of the Code applies or entities that hold the assets of such plans) such that investment by such investors is not “significant” within the meaning of the Plan Assets Regulations under ERISA. The General Partner may, in its sole discretion, restrict investments in the Fund by these “benefit plan investors”, exclude additional “benefit plan investors” or require “benefit plan investors” to withdraw part or all of their capital accounts so as to comply with the “significant participation” exception. Employee benefit plan investors should consider the information included in <u>Annex 3</u> to the Memorandum prior to making an investment in the Fund.
Valuation.....	The General Partner, in its sole discretion, will value the assets of the Fund based upon available relevant information. The General Partner expects that in most cases it will value the Underlying Funds in accordance with the valuations reported to it by the Managers of the Underlying Funds, although the General Partner will have discretion to use other valuation methods or to engage an independent valuation consultant.
Fiscal Year	The fiscal year of the Fund will end on December 31 of each year.
Financial Reporting	Partners will receive annual audited financial reports, quarterly performance reports and such other information as the General Partner deems appropriate. In addition, the Fund will furnish its Partners with annual tax information necessary for the preparation of tax returns.
Suitability Requirements	The Units will be offered and sold only to those persons who are both Accredited Investors and Qualified Purchasers. The General Partner may in its sole discretion, reject any subscription in whole or in part.
Plan of Distribution.....	The Units offered hereby are being distributed directly by Affiliated Financial Advisors. No fees, commissions or other compensation will be payable by the Fund to Opco or any of the Affiliated Financial Advisors for the placement of investors in the Fund. However, Opco will compensate such Affiliated Financial Advisors for placing their clients into the Fund. The compensation will be based on Opco’s Affiliated Financial Advisors’ compensation policies and will not be a Fund expense. In addition, an individual Affiliated Financial Advisor may, with the client’s consent, charge a fee to his or her client for placing the investor in the Fund. Such fees are charged by and payable by the investor to the Affiliated Financial Advisor and are not remuneration to Opco. For the Fund, such charge is in addition to the capital commitment amount reflected on the investor’s subscription agreement. If charged, the Affiliated Financial Advisors will generally

be entitled to retain such fee.

Auditors	The Fund has retained Rothstein, Kass LLP as its auditors. The General Partner may change the Fund's auditors in its sole discretion.
Legal Counsel	Pepper Hamilton LLP acts as legal counsel to the Fund and the General Partner and certain of their respective affiliates in connection with the organization and management of the Fund and the offering of Units. Pepper Hamilton LLP does not act as counsel to the Limited Partners. The General Partner may continue to retain Pepper Hamilton LLP to act as counsel to the Fund, the General Partner and Opco in connection with the management and operation of the Fund, and their respective affiliates, including with respect to any dispute that may arise between the Fund, or one of their respective affiliates, and a Limited Partner. In connection with the offering of Units and subsequent advice to the Fund, the General Partner, Opco and their respective affiliates, Pepper Hamilton LLP will not be representing the Limited Partners and Limited Partners are deemed to have consented to Pepper Hamilton's representation of the Fund, the General Partner, Opco and their affiliates in connection with any of the aforementioned matters. No independent counsel has been retained to represent Limited Partners of the Fund.
Risk Factors	An investment in the Fund involves a significant degree of risk and there can be no assurance that the investment objectives of the Fund will be achieved. In addition to the speculative nature of investing in securities, the risks include the lack of an operating history for the Fund and the PE Investment Assets, challenges in achieving optimum diversification, dependence on Managers of Underlying Funds to enhance Portfolio Company values, the limitations on withdrawal from the Fund, potential conflicts of interest, non-transferability of Units, and illiquidity of the Fund's investments as well as illiquidity risks associated with investment in the Fund. In addition, there is a risk of the OGR Fund's inability to meet capital calls of the Fund if losses are incurred by the Hedge Fund or the Liquid Asset Vehicle or if the Hedge Fund is not able to timely withdraw its investments to satisfy the OGR Fund's withdrawal request and assets held by the Liquid Asset Vehicle are insufficient.

POTENTIAL CONFLICTS OF INTEREST

Various conflicts of interest exist between and among the Sponsor, the General Partner, Opco, the Investment Professionals, the Fund and Limited Partners. The discussion below enumerates certain actual and potential conflicts of interest that may arise among such parties. By acquiring Units, each Limited Partner will be deemed to have acknowledged the existence of such actual or potential conflicts of interest, and to have consented thereto, and to have waived any claim with respect to the existence of any such conflicts of interest. The General Partner is under no obligation to resolve any conflicts of interest in favor of the Limited Partners, and there can be no assurance that any such conflicts will be so resolved.

Transactions Through Opco as Agent

The Fund and the Underlying Funds may execute the purchase and sale of securities through Opco and its affiliates as agent and may pay commissions therefor to Opco. Opco and its affiliates may retain any commission, remuneration or other profits which may be made in such transactions.

Conflicts with Affiliates

Opco and its affiliates render investment advisory, brokerage and research and other services to many individuals and entities in the course of their business. In doing so, Opco and its affiliates may take positions or issue research reports with respect to securities, types of transactions, or legal, tax or accounting issues which conflict with the actions or positions being taken by the Fund, an Underlying Fund, a Portfolio Company, a Direct PE Investment or other pooled investment vehicles affiliated with the Fund or an Underlying Fund. Any such actions undertaken by Opco or its affiliates may have an adverse effect on the value of securities owned by the Fund or an Underlying Fund, or may impede the ability of the Fund, an Underlying Fund, a Direct PE Investment or a Portfolio Company to sustain a position or execute a strategy. Opco and its affiliates will not be obligated to take or refrain from taking any action by reason of an effect which such action or inaction might engender for the Fund, an Underlying Fund, a Direct PE Investment or a Portfolio Company, whether or not such effect might be reasonably foreseeable.

As a broker dealer, Opco may effect trades in public securities based on recommendations from the Sponsor or other affiliates of Opco, or from other parties. In the event the Fund owns, directly or indirectly through an Underlying Fund, or receives from an Underlying Fund, a publicly traded security (or a security eligible for resale in the public markets such as pursuant to Rule 144 of the Securities Act), the trading activity of clients of Opco, including in derivatives relating to the security, could have a negative effect on the value of the Fund's interest in, or could impose restrictions on the ability of the Fund to sell, such securities.

The Fund will not be obligated to adhere to, but is permitted to be guided by, the internal and/or external recommendations rendered by the Sponsor or any of its affiliates, or by any other person with respect to the securities in which it has, directly or indirectly, an interest.

No Requirement to Devote Full Time to the Fund

The Sponsor, General Partner, Opco and their respective principals, employees and related parties, including the Investment Professionals, are only obligated to devote an amount of time to the affairs of the Fund that they deem to be reasonably necessary to conduct the Fund's business. Many of the employees of the General Partner, Sponsor and Opco involved in the Fund's activities are expected to devote substantial business time to other business activities. Nothing limits the right of the Sponsor, Opco, any Partner, including without limitation, the General Partner, their respective principals, employees, related parties and affiliates, including the Investment Professionals, or any Partner to engage or invest in, directly or indirectly, any other present or future venture or activity of any nature or

description, whether competitive with the Fund or otherwise, or possess any interest therein, independently or with others. This may result in potential or actual conflicts of interest in allocating time and resources between the Fund and such other business activities.

Other Business Interests

The Sponsor, any Partner (including the General Partner), Opco and their respective principals, employees, related parties and affiliates, including the Investment Professionals, may organize, participate in, control, invest in, advise or provide services to other pooled investment vehicles or managed accounts or other persons which also purchase, sell, hold and deal with securities, or otherwise engage in activities competitive with, similar to, or the same as, the activities of the Fund. The Fund will have no interest in any of the foregoing activities or in the accounts of such other clients. A number of actual and potential conflicts of interest between the Fund, on the one hand, and such activities and clients, on the other hand, may exist. Such conflicts include, but are not limited to, those described herein. Conflicts may arise as to the allocation of investment opportunities between the Fund and other entities which the Sponsor, Opco, General Partner and their respective principals, employees or related parties, including the Investment Professionals, manage, advise or sponsor. Moreover, it is possible that conflicts may arise because the investment position or strategy of an investment vehicle or account may at any time be different from, or even conflict with, that of other affiliated entities.

Although other accounts may pursue investment objectives that are similar to the Fund, the portfolios of the Fund and such accounts may differ as a result of inflows and outflows of capital being made at different times and in different amounts, as well as because of different tax and regulatory considerations. Situations may arise in which the activities of the Sponsor, Opco, the General Partner and their respective affiliates on behalf of other clients may disadvantage the Fund.

The Investment Professionals, Sponsor, the General Partner, Opco and their respective affiliates, directors, officers and employees may become aware of, and participate in, business opportunities and investments in which the Fund and Underlying Funds will not be given an opportunity to participate. The Investment Professionals, Sponsor, the General Partner, Opco and their respective affiliates, directors, officers and employees may invest as principal in similar areas in which the Fund or any of the Underlying Funds invest. The Underlying Funds may compete with these persons and entities for investment opportunities.

The Sponsor and its affiliates receive certain confidential business information in the normal course of their business. That information will ordinarily not be available to the Fund.

Ownership and Voting of Units

The Sponsor, Opco, the General Partner and their respective affiliates, directors, officers and employees (including the Investment Professionals) may own Units (directly or indirectly) and their aggregate ownership of Units may be significant from time to time. They will each be entitled to vote any Units they may own as limited partners in the Fund and may vote their Units in a manner that conflicts with the votes cast by other limited partners on any issue requiring a vote.

Service Providers and Suppliers

The Fund, the General Partner, the Sponsor, Opco and the Investment Professionals may from time to time engage service providers. They are not prohibited from engaging any entity in which any of them has an interest to perform services for or sell supplies to the Fund so long as the compensation paid in such arrangement is fair value and no higher than would be charged by an unrelated third party. However, conflicts of interest would arise if any such entity failed to perform adequately its undertakings to the Fund.

Allocation of Investment Opportunities

The General Partner expects that from time to time the Fund and other pooled investment vehicles and client accounts managed by the Sponsor and/or its affiliates (including the General Partner) may participate in an investment opportunity at the same time. To the extent an investment opportunity is suitable the Fund and any such other vehicles or accounts, the investment opportunity must be allocated among those entities or other investors seeking to partake in the opportunity. The General Partner expects that any such allocation of investment opportunities will be performed on a basis that it believes to be fair and equitable and will use all commercially reasonable efforts to ensure that no participating entity or account receives preferential treatment over any other. The Sponsor and the General Partner, and their respective affiliates, expect that investment opportunities and trades will be allocated among their respective investors, including the Fund, in accordance with the foregoing and the following procedures.

When presented with an investment opportunity, the Sponsor and the General Partner will assess the suitability of the investment for multiple affiliated investors taking into account, among other things, the potential investors' investment objectives and strategies, risk profiles, tax status, diversification requirements, liquidity needs and available assets for investment. In addition, the Sponsor and the General Partner will consider whether a potential investor may actually be restricted from making the investment due to any contractual limitations or regulatory restrictions. The Sponsor and the General Partner will also assess current market conditions and any other information relevant to the fair allocation of securities among the multiple potential investors.

When an investment opportunity is suitable for more than one investment vehicle, the investment opportunity will be allocated *pro rata* among such investment vehicles according to the respective amounts of capital that each such vehicle then has available to make such investment. For purposes of these allocation procedures, the investible capital of the Fund (or any other pooled investment vehicle or client account managed by the General Partner or Sponsor) means the aggregate amount of the capital commitments of or contributions to the Fund or other investment vehicle which may be used for such investment in accordance with its governing agreement.

There can be no assurances that the allocation of investment opportunities will not advantage other clients and funds more than the Fund.

Investments in Co-Investment Fund

The Sponsor and the General Partner have also formed Oppenheimer Private Equity Co-Investment Fund I, L.P. (the "***Co-Investment Fund***") to make investments directly in Portfolio Companies, as determined by the General Partner. From time to time, the Underlying Funds may offer the Fund co-investment opportunities in their respective Portfolio Companies. The Fund has agreed to assign such co-investment opportunities to the Co-Investment Fund. To the extent the Co-Investment Fund participates in a co-investment opportunity with respect to a Portfolio Company of an Underlying Fund, the Co-Investment Fund will seek to make such investment on the same basis as the Underlying Fund. The Co-Investment Fund may also seek equity or equity-like investments in other private companies which may not be Portfolio Companies of Underlying Funds. Such private companies may include Direct PE Investments. The interests of the Co-Investment Fund, e.g. relating to diversification, liquidity or other attributes of the Co-Investment Fund, may not align with the interests of the Fund with respect to its investment in the Underlying Fund that makes such co-investment opportunity available to the Co-Investment Fund.

RISK FACTORS

An investment in the Fund may involve substantial risk and is suitable only for sophisticated investors who fully comprehend the risks of an investment in the Fund. Although the General Partner and Opco will seek to reduce the risks associated with the Fund's investments, prospective investors should carefully consider, among other factors, the risks described below. The following risk factors are not set forth in any particular order of importance and do not purport to be a complete enumeration or explanation of the potential risks associated with an investment in the Fund.

General Investment Risk Factors Applicable the Fund

All securities and related investments risk the loss of capital. There is no guarantee that the investment objectives of the Fund or any of the Underlying Funds will be achieved, that the Fund or any Underlying Fund will be successful in executing their investment strategy, that any appreciation in the value of investments of the Fund or the Underlying Funds will occur, or that any of the Portfolio Companies or Direct PE Investments will be profitable.

Volatility of Financial Markets

Financial markets may be subject to a high level of volatility. There can be no assurance that the return of the Fund's investments will be commensurate with the risk of investment in the Fund. Continued volatility could disrupt the investment strategies of the Fund and the Underlying Funds, decrease the value of investments held by the Fund and the Underlying Funds and adversely impact the profitability of the Fund and the Underlying Funds. The risk management techniques that may be utilized by the Fund and the Underlying Funds may not provide any assurance that investors will not be exposed to a risk of significant investment losses. Investors should not commit money to any of the Fund unless they have the resources to sustain the loss of their entire investment in the Fund.

Lack of Significant Diversification

The Fund's strategy of concentrating in companies involved in Natural Resource and Related Assets closely ties their performance to the performance of a particular market segment. A downturn in energy and natural resource companies would have a larger impact on the Fund than on other investment vehicles that do not concentrate on such companies or which are more diversified.

Although the Fund will seek to invest in a diversified portfolio of investments, the Fund is not obligated to invest (i) in any set number of Underlying Funds or Direct PE Investments, (ii) in Underlying Funds which utilize particular investment strategies, or (iii) in Underlying Funds or Direct PE Investments which are focused on a variety of different markets or sectors. Each Underlying Fund is likely to concentrate its investments in a limited number of companies or investments and in a limited number of market segments. Furthermore, the Underlying Funds and the Fund may invest collectively in the same security. As a result, the aggregate returns realized by investors may be adversely impacted by the unfavorable performance of a small number of such investments.

The Fund's ability to be diversified among Underlying Funds will depend, in part, on the Fund's ability to raise sufficient capital to invest in a number of Underlying Funds. The Fund is seeking to raise an aggregate of \$200 million but there is no minimum on the amount that the Fund must raise in order to conduct an initial closing and gain access to investors' capital. The Fund had its first closing in April 2008. At this first closing, the Fund received \$28 million in capital commitments. The Fund expects to hold additional closings at which the Fund will accept additional capital commitments. If the Fund is unable to raise at least \$45 million, the Fund's ability to execute its investment strategies will be limited and returns may be adversely affected. As the Fund raises additional amounts, the Fund may have more opportunities to become diversified across a greater number of Underlying Funds, specialties, sectors and

markets. However, there is no guarantee that the Fund may achieve greater diversification with a large amount of funds raised.

Competitive Market for Investments in Underlying Funds

Pooled investment vehicles such as the Underlying Funds are currently enjoying an unprecedented level of demand among investors, making it more difficult to identify attractive investment opportunities. There is no certainty that the Fund will be permitted to invest in the Underlying Funds that it targets, or that the Fund will be permitted to invest the amounts which it desires to commit to such Underlying Funds. Such uncertainty may have an adverse effect on the Fund's ability to effectively employ their investment strategy. There are no assurances that the Fund will be able to fully invest its committed capital, and the performance of the Fund may be adversely affected as a result.

Control Positions

The Underlying Funds may take control positions in Portfolio Companies and the Fund may have controlling positions in Direct PE Investments. The exercise of control over a company imposes additional risks of liability for environmental damage, product defects, failure to supervise management and employees, violation of laws and other potential liabilities. If an Underlying Fund or the Fund experiences control liability, it could materially and adversely affect the Fund's performance.

No Role by the Fund or Investors in Management of Underlying Funds or Portfolio Companies

The Fund will not have a role in the management of any Underlying Fund, Portfolio Company or Direct PE Investment. In addition, the Fund will not have the opportunity to evaluate the specific investments made by any Underlying Fund. As a result, the rates of return of the Fund will primarily depend upon the performance of unrelated Managers and could be adversely affected by the unfavorable performance of one or more Underlying Funds or Portfolio Companies.

The Fund's investments in Underlying Funds will not be, and investments in any Direct PE Investments may not be, significant enough to afford the Fund blocking rights with respect to certain actions of the Underlying Funds or any such Direct PE Investments and amendments to such Underlying Fund's or Direct PE Investment's operating documents. The Fund therefore will be dependent upon the general partner or managing member of the Underlying Funds and management of the Direct PE Investments, and, to a limited degree, the other investors in the Underlying Funds or Direct PE Investments, with respect to such actions and amendments.

Leverage/Use of Leverage

The PE Investment Assets and Portfolio Companies may utilize leverage and, in some cases, may be highly leveraged. The use of leverage increases returns if the PE Investment Assets and Portfolio Companies earn a greater return on investments purchased with borrowed funds than their cost of borrowing such funds. However, the use of leverage exposes the PE Investment Assets and Portfolio Companies to additional levels of risk including (i) greater losses from investments than would otherwise have been the case had the PE Investment Assets and Portfolio Companies not borrowed to make the investments, (ii) margin calls or changes in margin requirements may force premature liquidations of investment positions and (iii) losses on investments where the investment fails to earn a return that equals or exceeds the cost of leverage related to such investments.

Companies which are leveraged may be subject to restrictive financial and operating covenants and, thus their ability to finance their future operations and capital needs may be impaired. As a result, leveraged companies have little flexibility to respond to changing business and economic conditions and their ability to take advantage of business opportunities may be limited. A leveraged company's income and

net assets will tend to increase or decrease at a greater rate than if borrowed money were not used. In the event of a sudden, precipitous drop in value of the PE Investment Assets and Portfolio Companies, such PE Investment Assets and Portfolio Companies might not be able to be liquidated quickly enough to repay their borrowings, further magnifying the losses incurred.

Non-United States Investments

Securities which are not denominated in U.S. dollars or issued by a U.S. company involve risks not typically associated with investing in U.S. securities. These risks include, but are not limited to: currency risks (the risk that the value of dividends or interest paid on non-dollar or non-U.S. securities, or the value of the securities themselves, may fall if currency exchange rates change), the risk that a security's value will be impacted by changes in policies restricting investment, the possibility of heavy taxation, nationalization or expropriation of assets and more difficulty in obtaining information on non-U.S. securities or companies. Foreign securities markets also may be less liquid, more volatile and less subject to governmental supervision than in the United States. In addition, non-dollar denominated and non-U.S. securities may be harder to sell and may be subject to wider price movements than comparable U.S. companies. Furthermore, non-dollar denominated and non-U.S. securities may be more difficult to value than U.S. securities.

Revenue from Foreign Countries

Many U.S. companies in which the Underlying Funds and Fund may be invested may generate significant revenues and earnings abroad. As a result, these companies and the prices of their securities may be affected by weaknesses in global and regional economies and the relative value of foreign currencies to the U.S. dollar.

Initial Public Offerings; New Issues

The Fund and the Underlying Funds may invest in securities sold pursuant to initial public offerings or securities created as a result of spin-offs, split-offs, recapitalizations or other significant corporate events. Such securities have no public market prior to their initial offering or creation and there is no assurance that (i) an active public market in such securities will develop or continue after commencement of trading or (ii) that the initial public offering price or initial trading level of such securities will be indicative of the market price for such securities on a "fully-distributed" basis.

The Fund's and the Underlying Funds' participation in "New Issues" is subject to the National Association of Securities Dealers, Inc. (the "**NASD**") Rule 2790. New Issues as defined by this rule include securities offered to the public in an initial public offering. Investors may be restricted from participating in profits and losses from New Issues by NASD Rule 2790. There is no assurance that the allocation mechanisms, adopted by the Underlying Funds or the Fund to comply with NASD Rule 2790 will be respected by the SEC or NASD as such bodies have not yet promulgated rules specifying appropriate allocation procedures. The Fund may periodically request information from investors to verify the Fund's and an Underlying Fund's eligibility to participate in New Issues. Notwithstanding the foregoing, the Fund may be ineligible to participate in investment in New Issues, despite the fact that all of its investors are eligible, if it is unable to obtain information sufficient to form a reasonable belief that all of its investors are eligible or sufficient to satisfy an Underlying Fund on this matter.

Risk Factors Relating to Investments in Energy and Natural Resources

Securities of energy and natural resource companies are especially affected by variations in the commodities markets (that may be due to market events, regulatory developments or other factors that neither the Fund nor any Underlying Fund can control) and these companies may lack the resources and the broad business lines to weather hard times. Energy companies can be significantly affected by the

supply of and demand for specific products and services, the supply of and demand for oil and gas, the price of oil and gas, exploration and production spending, government regulation, world events and economic conditions. Natural resources companies can be significantly affected by events relating to international political developments, energy conservation, the success of exploration projects, commodity prices and tax and government regulations.

Compliance with Governmental Regulations

Companies involved in Natural Resources and Related Assets are heavily regulated and are subject to extensive, federal, state, local and foreign laws and regulations (collectively, “**government regulations**”). These companies may incur significant costs in complying with governmental regulations and such costs may have a material adverse effect on the profitability of investments held by the Underlying Funds and the Fund. The following is an illustration of some of the governmental regulations to which companies involved in Natural Resources and Related Assets may be subject.

- ***Oil and Gas Related Regulations*** -- Companies involved with oil and natural gas operations may be subject to government regulations relating to the exploration for, and the development, production and transportation of, oil and gas, as well as safety matters, which may be changed from time to time in response to economic or political conditions. These regulations may require oil and gas companies to obtain regulatory permits or approval for drilling or mining operations, road and pipeline development, construction and operations, to pay taxes that are unique to oil and gas companies and to adhere to price controls and limitations on production in order to conserve supplies of oil and natural gas.
- ***Environmental Regulations***. Companies involved with Natural Resources and Related Assets may be subject to governmental regulations which govern, among other things, the containment and disposal of hazardous materials, oilfield waste and other waste materials, the use of underground storage tanks and the use of underground injection wells. Governmental regulations protecting the environment typically impose “strict liability,” which means that in some situations a company could be exposed to liability for cleanup costs and other damages as a result of conduct that was lawful at the time it occurred or conduct of, or conditions caused by, others. Cleanup costs and other damages arising as a result of environmental laws, and costs associated with changes in environmental governmental regulations, could be substantial and could have a material adverse effect on the profitability of the Underlying Funds and the Fund. Governmental regulations protecting the environment have generally become more stringent than in the past and are expected to continue to do so.
- ***Endangered Species Regulations***. Governmental regulations protecting the environment also regulate the activities of timber companies. For example, timber companies are often subject to the Endangered Species Act, as well as similar state laws and regulations. The Endangered Species Act and state legislation protect species threatened with possible extinction and may include restrictions or prohibitions on timber harvesting, road building and other silvicultural activities on private, federal and state land containing the affected species.

Regulatory Approvals; Permits.

The Fund, through its investments in the Underlying Funds or Direct PE Investments, may invest in companies that are required to comply with numerous federal, state and local statutory and regulatory standards and maintain numerous permits and approvals required for their operation. There can be no assurance that a Portfolio Company or a Direct PE Investment will be able to (i) obtain all required regulatory approvals and permits that it does not yet have or that may be required in the future; (ii) obtain any necessary modifications to existing regulatory approvals and permits; or (iii) review and otherwise maintain required regulatory approvals and permits. Delay in obtaining or failure to obtain and maintain

in full force and effect any regulatory approvals and permits, or amendments thereto, or delay or failure to satisfy any regulatory conditions or other applicable requirements (which may change over time), could prevent operation of a facility or sales of such facility to third parties, or could result in additional costs to a Portfolio Company or Direct PE Investment, and adversely affect the investment results of the applicable Underlying Fund and the Fund.

In addition, an Underlying Fund or the Fund may be required to obtain the consent or approval of applicable regulatory authorities in order to acquire or hold particular Portfolio Companies, Direct PE Investments or other assets. If an Underlying Fund or the Fund is unable to obtain such consent or approval, it may be unable to structure transactions in ways that are optimal for the Underlying Fund and the Fund and may even be prohibited from making certain investments. The cost of any consent or approval process may be relatively expensive and may be required to be borne by the Underlying Funds and the Fund and passed along to investors in the Fund.

Changes in Governmental Regulations

Investments of the Underlying Funds and the Fund could be materially and adversely affected as a result of changes in governmental regulations, and judicial or administrative interpretations of existing governmental regulations that impose more comprehensive or stringent requirements on such company. Moreover, additional regulatory approvals, including without limitation, renewals, extensions, transfers, assignments, reissuances or similar actions, may become applicable in the future due to a change in governmental regulations, a change in the companies' customer(s) or for other reasons. Any such changes could result in increased compliance costs, additional capital expenditures or potential liabilities. In addition, such changes may alter the competitive landscape and/or the nature of the markets in which a Portfolio Company or a Direct PE Investment operates in a material and adverse manner. Any such events may adversely affect the investment results of the Underlying Funds and the Fund.

Development Risk

The Fund, through its investments in the Underlying Funds or Direct PE Investments, may invest in companies that are involved in projects and facilities which are at an early stage of development and face the possibility of either failing to obtain or suffering substantial delays in obtaining (i) regulatory, environmental or other approvals or permits, (ii) financing; and (iii) suitable equipment supply, operating and off-take contracts. These projects involve additional uncertainties including the possibility that the projects may not be completed, operating licenses may not be obtained, and permanent financing may be unavailable. Further, there is no assurance that these projects will be profitable or generate cash flow sufficient to service their debt or provide for recovery of amounts invested therein. The foregoing may have an adverse affect on the profitability of investments held by the Underlying Funds and the Fund, which, in turn, have an adverse affect on the investment returns of the Underlying Funds and the Fund.

Construction Risk

The Fund, through its investments in the Underlying Funds or Direct PE Investments, may invest in companies that may be subject to significant construction risk, including the risk of substantial delay or increased costs due to a number of unforeseen factors, including: political opposition; regulatory and permitting delays or approvals; delays in procuring sites; delays in obtaining or the failure of, equipment; labor disputes; lawsuits and other disputes; environmental issues; *force majeure*; or failure by one or more of the infrastructure investment participants to perform in a timely manner (or at all) its or their contractual, financial or other commitments. New facilities have little or no operating history and may employ recently developed technologically complex equipment that may take time to operate at peak levels of output and efficiency. A material delay or increase in unabsorbed cost would significantly impair the financial availability of an infrastructure investment project and result in a material adverse effect on the Underlying Funds' and the Fund's investment therein.

Operating Risk

The Fund, through its investments in the Underlying Funds or Direct PE Investments, may invest in companies that have operating facilities. Such companies are exposed to certain operational risks, such as the possibility of performing below expected levels or output, availability or efficiency; interruptions in fuel or other necessary supplies; increases in the cost of fuel or other necessary supplies; pipeline disruptions; disruptions in the off-take of electrical energy; power shutdowns; breakdown or failure of equipment or processes; accidental discharges of hazardous materials; labor disputes; changes in governmental regulations; regulatory and permitting delays or approvals; or catastrophic events such as fires, earthquakes, lightning, explosions, hurricanes, tornados, floods or similar occurrences affecting the operating facilities or their power purchasers, steam purchasers, fuel suppliers or fuel transporters. In addition, the Underlying Funds and the Fund may make investments in companies that are based, in part, on favorable existing contractual arrangements at such companies or estimates of energy reserves available to such companies. There is no assurance that such contractual arrangements can be maintained, and estimates may turn out to be incorrect. Any such events could have a material adverse effect on the profitability of such companies and the investment results of the Underlying Funds and the Fund.

Adequacy and Availability of Insurance

While the Underlying Funds and the Fund will seek to make investments where insurance and other risk management products (to the extent available on commercially reasonable terms) are utilized to mitigate the potential loss resulting from catastrophic events and other risks customarily covered by insurance, that may not always be practicable or feasible. Moreover, it will not be possible to insure against all such risks, and to the extent such insurance coverage is available, proceeds paid under an insurance policy may be inadequate to completely or even partially cover a loss of revenues, an increase in operating and maintenance expense and/or replacement or rehabilitation. In addition, certain losses of catastrophic nature, such as those caused by weather conditions, earthquakes, hurricanes, tornados, floods, wars, terrorist attacks or other similar events (collectively, “*force majeure*”), may be either uninsurable or insurable at such high rates as to adversely impact the profitability of the Underlying Funds’ and the Fund’s investments. In general, losses related to terrorism are becoming more difficult and more expensive to insure against and most insurers are either excluding terrorism coverage from their all-risk policies or offering significant limited coverage against terrorist acts for additional premiums, which can greatly increase the total costs of casualty insurance. As a result, it is unlikely that any of the Underlying Funds’ or the Fund’s investments will be insured against damages attributable to acts of terrorism. If a major uninsured loss were to occur with respect to an investment, the Underlying Funds and the Fund could lose both the capital invested and any anticipated profits related to such investment.

Commodity Risk; Price Volatility.

The Fund, through its investments in the PE Investment Assets, may invest in companies in the energy sector that may be subject to commodity price risk, including, without limitation, the price of electricity and the price of fuel. Historically, the markets for oil, gas, coal and power have been volatile, and such markets are likely to continue to be volatile in the future. The operation and cash flows of companies in the energy sector will depend, in substantial part, upon prevailing market prices for energy commodities. These market prices may fluctuate materially depending upon a wide variety of factors that are beyond the control of the Underlying Funds and the Fund, including, without limitation, market supply and demand, *force majeure*, catastrophic events, governmental regulations and any changes thereto, the refining capacity of crude oil purchasers, the price and availability of alternative fuels and energy sources, political conditions in the Middle East and other oil and natural gas producing regions, terrorist acts or threats thereof, actions of the Organization of Petroleum Exporting Countries (and other oil and natural gas producing nations), the foreign supply of (and demand for) oil and natural gas, the price of foreign imports, coal supplies and rail capacity, and overall economic conditions. Any significant decline in the

price of oil or natural gas could adversely affect the profitability of investments held by, and the investment results of, the Underlying Funds and the Fund.

Uncertainty of Estimates of Oil and Gas Reserves

The Fund, through its investments in PE Investment Assets may invest in companies, the success of which is dependent on the companies' estimates of oil and gas reserves. The estimation of oil and natural gas reserves is a subjective process and the accuracy of any reserve estimate is a function of the quality of available data, engineering and geological interpretation and judgment. Estimates of economically recoverable oil and natural gas reserves and of future net cash flows necessarily depend upon a number of variable factors and assumptions, such as historical production from the area compared with production from other producing areas, the assumed effect of regulations by governmental agencies and assumptions concerning future oil and natural gas prices, future operating costs, severance and excise taxes, development costs and work over and remedial costs, all of which may in fact vary considerably from actual results. For these reasons, estimates of the economically recoverable quantities of oil and natural gas attributable to any particular group of properties, classifications of such reserves based on risk of recovery, and estimates of the future net cash flows expected therefrom may vary substantially. Any significant variance in the assumptions could materially affect the estimated quantity and value of the reserves and the investment results of the Underlying Funds and the Fund.

Risks Related to Timber Companies

The Fund, through its investments in PE Investment Assets, may invest in companies, the success of which is dependent on the companies concentrating on the timber industry, the success of which will be affected by the cyclical nature of the forest products industry. Prices and demand for logs have been, and in the future can be expected to be, subject to cyclical fluctuations. The demand for logs is primarily affected by the level of new residential construction activity and, to a lesser extent, repair and remodeling activity and other industrial uses, which are subject to fluctuations due to changes in economic conditions, interest rates, population growth, weather conditions and other factors. Decreases in the level of residential construction activity will be reflected in reduced demand for logs, which may result in lower revenues, profits and cash flows.

In addition, the revenues, net income and cash flow of timber companies will be dependent to a significant extent on their ability to harvest timber at adequate levels. There can be no assurance that a timber company will achieve harvest levels necessary to maintain or increase revenues, net income or cash flows. Weather conditions, timber growth cycles, access limitations and regulatory requirements associated with the protection of wildlife and water resources or any shortage of contract loggers may restrict harvesting, as may many other factors, including damage by fire, insect infestation, disease, prolonged drought and natural disasters. Any significant impairment on a company's ability to harvest timber at adequate levels may adversely affect the investment results of the Underlying Funds and the Fund.

Emerging Markets

Many companies involved with Natural Resource and Related Assets may be based in emerging markets. Political and economic structures in emerging market countries may be undergoing rapid change and these countries may lack the social, political and economic stability of more developed countries. As a result, some of the risks described above under "Non-United States Investments", including the risks of nationalization or expropriation of asset and the existence of smaller, more volatile and less regulated markets, may be increased with investments in emerging markets. The value of many investments in emerging market countries has declined significantly in the past and may do so again in the future, as a result of political and economic turmoil in many of these countries.

Additional Risk Factors Relating to Investments in the Fund

Highly Competitive Market for Private Equity Investments

In recent years, private equity funds have raised record amounts of capital. As a result, the business of identifying, negotiating, acquiring, monitoring, managing and selling investments is highly competitive and involves a high degree of uncertainty. The Fund and the Underlying Funds can be expected to encounter competition from other persons or entities searching for suitable investment transactions, regardless of whether they have similar investment objectives or not, including other private equity firms, institutional investors, private investors and others. The Fund and the Underlying Funds may compete with each other in identifying and making investments which may result in the Fund or a Underlying Fund being unable to make a desired investment or having to pay a higher price. Thus, there is no assurance that the Fund and Underlying Funds will be able to procure investment opportunities to invest their funds effectively and efficiently.

Portfolio Companies Are Risky

The Portfolio Companies in which the Underlying Funds will invest, and any Direct PE Investment in which the Fund may invest, may involve a high degree of business and financial risk. These companies may not have a proven operating history, may be operating at a loss or have significant variations in operating results, may be engaged in a rapidly changing business with products subject to a substantial risk of obsolescence, may require substantial additional capital to support their operations, to finance expansion or to maintain their competitive position, or may otherwise have a weak financial condition.

In addition, Portfolio Companies and Direct PE Investments may face intense competition, including competition from companies with greater financial resources, more extensive development, manufacturing, marketing, and other capabilities, and a larger number of qualified managerial and technical personnel.

Borrowing and Leverage by the Fund

The Fund may incur indebtedness for the purpose of providing interim financing as a bridge to receipt of called capital. No assurance can be given that the Fund will be able to borrow on terms acceptable to it.

Risks of Default by Limited Partners

If a Limited Partner in the Fund (other than the OGR Fund) fails to pay when due installments of its PE Commitment, the General Partner may impose various sanctions, including, without limitation, forfeiture of the defaulting Limited Partner's capital account, preclusion from further investments in any PE Investment Asset, withholding of distributions, forced sale of the defaulting Limited Partner's Units at a discount to actual value and, if the amount of the defaulting Limited Partner's capital contribution to the Fund actually made before the date of such default is less than \$5,000,000, conversion of any Class B Units held by such defaulting Limited Partner into Class A Units. In addition, the General Partner may be required to arrange bridge financing to satisfy the Fund's capital contribution requirements to a PE Investment Asset should a Limited Partner fail to contribute its capital when due. Any costs and interest expense related to such borrowing may be passed along to the defaulting Limited Partner. Thus, any Limited Partner with insufficient funds to meet a capital call bears the risk of incurring substantial loss.

If a Limited Partner in the Fund (including the OGR Fund) fails to pay installments of its PE Commitment when due, and the contributions made by the Limited Partners who paid their respective installments and borrowings by the Fund, if any, are inadequate to cover the capital contribution not made, the Fund may be unable to meet its commitments to the PE Investment Assets when due. The Fund's investments in Underlying Funds may include commitments to meet capital calls of such PE

Investment Assets over an extended period of time. The failure of multiple Limited Partners to meet a scheduled capital call could result in the failure of the Fund to meet a capital call of PE Investment Asset, which could have adverse consequences for the Fund and the Limited Partners thereof.

Delayed Deployment of Capital

The Fund is a fund-of-funds which invests in Underlying Funds which, in turn, invest in private equity and equity related securities. In a private equity fund-of-funds structure, capital is typically called prior to when it is actually needed to satisfy a capital call by a private equity fund in which the fund-of-funds invests which may be called prior to when it is invested by such participating fund. This may adversely affect an investor's returns. A fund-of-funds is best suited for long-term investors.

Risk Factors Relating to Investment Structure of the Fund

“Fund-of-funds” Structure

Under certain circumstances, the Fund's “fund-of-funds” structure may be disadvantageous to investors as compared with maintaining investments directly in the Underlying Funds. For example, contributions made to the Fund at a time when the Fund has a loss carry forward with respect to its investments in one or more of the Underlying Funds will have the effect of diluting the portion of each existing investor's indirect interest in such loss carry forwards. Similarly, withdrawals made by the Fund (in order to satisfy investor withdrawal requests or otherwise) from an Underlying Fund at a time when the Fund has a loss carry forward will reduce the value of such loss carry forward.

Multiple Levels of Expense

In a fund-of-funds, the cost of investing in the Fund will generally be higher than investing directly in the Underlying Funds. The Fund and the Underlying Funds charge management fees and performance incentives. By investing in the Fund, investors will indirectly bear fees and expenses charged by the Underlying Funds in which the Fund invests in addition to the Fund's direct fees and expenses. Thus, investors may realize a lower return on their respective investments than if they had directly invested in the Underlying Funds. Furthermore, the use of a fund-of-funds structure could affect the timing, amount and character of distributions to investors and therefore may increase the amount of taxes payable by investors.

Conflicting Positions in Securities

Because the Fund invests with Managers who make their trading decisions independently, it is possible that one or more of such Managers may, at any time, take positions that may be opposite of positions taken by other Managers. It is also possible that the Managers retained by the Fund may on occasion be competing with each other for similar positions at the same time. Also, a particular Manager may take positions for its other clients that may be opposite to positions taken for the Fund.

Reliance by the OGR Fund on the Hedge Fund and the Liquid Asset Vehicle as Interim Investment Vehicles

Except as necessary to fund the current and anticipated expenses of the OGR Fund or to meet capital calls made or to be made by the Fund, substantially all of the assets of the OGR Fund will be invested in the Hedge Fund and the Liquid Asset Vehicle. As and when the OGR Fund is required to meet a capital call with respect to the Fund, the General Partner will withdraw funds from the Liquid Asset Vehicle and, if necessary, from the Hedge Fund, causing the Liquid Asset Vehicle and, if necessary, the Hedge Fund to liquidate its investments to satisfy such withdrawal request. The amount in the Liquid Asset Vehicle will therefore vary from time to time and will be replenished through withdrawals from the Hedge Fund. If losses are incurred in the Liquid Asset Vehicle or at the Hedge Fund, the OGR Fund may not be able to

meet its commitments to the Fund, thereby resulting in the possibility that the Fund may be unable to meet its commitments to its PE Investment Assets when due. As a result, the Fund may be subjected to significant penalties that could affect the returns to the Limited Partners (including the non-defaulting Limited Partners) materially and adversely. For example, if the Fund fails to meet a capital call from an Underlying Fund, the Underlying Fund may require the forfeiture of the Fund's interest in such Underlying Fund.

While the OGR Fund will utilize the Liquid Asset Vehicle and the Hedge Fund as interim investment vehicles pending the satisfaction of capital calls to the Fund, there is no guarantee that all of the assets of the OGR Fund invested in the Liquid Asset Vehicle and the Hedge Fund will be withdrawn and invested in the Fund. To manage against risk of loss in the Hedge Fund, not all of an OGR Fund investor's capital will be committed to the Fund. While capital is invested in the Hedge Fund, it is exposed to the investment risks related to the Hedge Fund.

Limited Partner Giveback Obligations

The General Partner may, in its sole discretion, require the Limited Partners of the Fund to return distributions made to each such Limited Partner for the purpose of meeting such Limited Partner's pro rata share of the Fund's obligations including, without limitation, indemnification obligations, those required in connection with the Fund's disposition of an investment in a Direct PE Investment or to satisfy an obligation of the Fund to return distributions to an Underlying Fund. Thus, each Limited Partner of the Fund may be required to return to the Fund a significant portion of the distributions that such Limited Partner may receive.

Dependence on Information Provided by Third Parties and Managers

In researching investment opportunities for the Fund, Opco will use information provided by third party resources. In reporting on performance of Underlying Funds and Direct PE Investments, the Fund will depend and rely on information provided by the Managers of the Underlying Funds and management of such Direct PE Investments. The accuracy, completeness and timeliness of performance reports, quarterly statements, financial reports and tax returns and other information that Opco will use and provide to investors will be dependent in large part on the information provided by such sources.

In particular, the Fund and the Underlying Funds are dependent on the Underlying Funds and their respective Managers to provide them with accurate and timely information necessary to compile tax returns. The Fund and the Underlying Funds may be unable to complete and distribute tax returns by the federal income tax filing deadline of any given year. Thus, investors may be required to file for an income tax filing extension.

Lack of Uniform Reporting Standards for Underlying Funds; Portfolio Valuation

Private investment funds utilize divergent reporting standards that may make it difficult for the General Partner to accurately assess the prior performance of a potential Underlying Fund. In addition, such reporting variances may impact the ability of the General Partner to accurately value and monitor an Underlying Fund's investments. Such variances involve the calculation of the internal rate of return on an investment. Underlying Funds will likely have different policies regarding the inclusion of fees due to the general partner and expenses of the Underlying Funds when calculating the return on investment.

The Fund's investments in Underlying Funds and Direct PE Investments will be difficult to value because it may be relatively difficult for the Fund to obtain reliable valuation information regarding the Portfolio Companies and such Direct PE Investments. In most cases, the Fund will rely on the Underlying Funds' valuations of Portfolio Companies. Prospective investors should be aware that uncertain valuations as to the assets held by the Fund could adversely impact the returns of the Fund.

Other Risks***Reliance on Investment Professionals***

Investors will have no right or power to participate in the management or control of the business of the Fund or any Underlying Fund. Similarly, neither the General Partner nor the Fund will have any control over the day-to-day operations of any of the Managers of the Underlying Funds. The Managers will have various levels of experience and exclusive responsibility for making trading decisions on behalf of the Underlying Funds. Investors will be relying solely upon the skill, judgment and expertise of the General Partner, Opco and the Investment Professionals to select the Underlying Funds and the Direct PE Investments and the skills, judgment and expertise of the Managers of the Underlying Funds to manage the assets of the Fund. Accordingly, no investor should invest in the Fund unless such investor is willing to entrust all aspects of the management of the Fund to the General Partner, Opco, the Investment Professionals, and Managers of Underlying Funds who will have considerable discretion in the allocation of the Fund's assets among various investments.

The success of the Underlying Funds will be largely dependent upon the efforts of the investment principals of the Manager of the Underlying Funds. There can be no assurance that the investment principals of an Underlying Fund's Manager will remain with the Underlying Fund throughout its investment period. The loss of any investment principal of the Manager of an Underlying Fund may have an adverse impact on the ability of such Underlying Fund to implement its investment objectives and strategies.

Other Activities of General Partner, the Managers and their Respective Affiliates

The success of the Fund will be largely dependent upon the efforts of the Investment Professionals. This is particularly true for the Fund during the Investment Period when the Investment Professionals are selecting the PE Investment Assets in which the Fund will invest. Although each Investment Professional will devote substantial time to the business of the Fund, each of them may engage in other business activities. If any of the Investment Professionals cease to be a manager of the Fund, it may have an adverse effect on the Fund's ability to effectively and timely execute its investment strategy.

In addition, the Managers selected by the Fund may manage other accounts (including other partnerships and accounts in which the Managers may have an interest) which, together with accounts already being managed, could increase the level of competition for the same trades the Underlying Funds might otherwise make, including the priorities in a particular security or futures contract at a price indicated by the Manager's strategy. As a result, there can be no assurance that any Manager engaged by the Fund will invest on the basis expected by the General Partner or the Fund.

The other activities of the General Partner, the Managers and their respective affiliates may present certain potential conflicts of interest as described under the "Potential Conflicts of Interest" section of this Memorandum.

Compensation Arrangements

The existence of the General Partner's Carried Interest may create an incentive for the General Partner or the Investment Professionals to recommend or approve more speculative investments on behalf of the Fund than would be the case in the absence of this arrangement. Such investments may expose the Fund to greater risk of loss than if the General Partner and the Investment Professionals refrained from making such investments.

The Affiliated Financial Advisors will be compensated for placing their clients in the Fund pursuant to an existing plan of compensation for sales of investment products offered or sponsored by Opco and its

affiliates which takes into account sales of all such investment products which are originated by such Affiliated Financial Advisors. This compensation will not be the Fund Expense for the Fund. However, the existence of this arrangement may create an incentive for the Affiliated Financial Advisors to recommend the Fund to clients for whom an investment in the Fund may not be appropriate given their investment profile even though such clients are Accredited Investors and Qualified Purchasers.

Absence of Operating History

The Fund was recently formed for the purpose of engaging in the activities described in this Memorandum. Accordingly, there is no performance information on the Fund for an investor to consider in making an investment decision. The General Partner was also recently formed and currently serves as the general partner of other investment partnerships affiliated with the Sponsor and Opco. However, there is limited performance information on the General Partner for an investor to consider in making an investment decision.

While the Sponsor, Opco and Investment Professionals have extensive investment management experience, the past investment performance of the Sponsor, Opco, the Investment Professionals and the entities with which such Investment Professionals have been associated should not be construed as an indication of future investment results for the Fund.

The investment program of the Fund should be evaluated on the basis that there can be no assurance that the General Partner's assessment of short-term or long-term prospects of investments will prove accurate or that the Fund will achieve its investment objective or be successful at executing its investment strategies.

Indemnification of General Partner and Others

The Partnership Agreement contains broad indemnification and exculpation provisions which protect the General Partner, its members and their respective affiliates, including the Sponsor, Opco and the Investment Professionals, from actions brought by third parties against any of them or their respective officers, directors, members and others. To the extent the Fund is required to indemnify such persons, it may lower the returns earned by the Fund. In addition, these indemnification and exculpation provisions limit the right of a Limited Partner to maintain an action against the General Partner to recover losses or costs incurred by the Fund as a result of the General Partner's actions or failures to act. If the Fund has indemnity obligations which they cannot meet, Limited Partners may be required to return to the Fund amounts previously distributed by the Fund to the Limited Partner.

Statutory Liability of Limited Partners

Generally, under Delaware limited partnership law, a Limited Partner will not be liable for the obligations of the Fund unless the Limited Partner participates in the control of the Fund or is also a general partner of the Fund. The Fund does not intend to allow any of their respective Limited Partners to participate in the control of the Fund and thereby lose the limitation on the Limited Partner's liability for the Fund's obligations under Delaware law. Limited Partners may be required to fund all previously unfunded Capital Commitments if such amounts are needed to pay the Fund's creditors. In addition, if a Limited Partner has received a distribution from the Fund, the Limited Partner may be required to return to the Fund all or a portion of the distribution if necessary to enable the Fund to discharge its liabilities to creditors of the Fund who extended credit to the Fund during the period that the contribution was held by the Fund if, and only if, the Limited Partner knew at the time of the distribution that the Fund's remaining assets were then insufficient to satisfy the Fund's liabilities.

Withdrawal Restrictions

Generally, the Fund's investments will be long-term and illiquid. Thus, Units are subject to strict restrictions on transfer and withdrawals, which is subject to the discretionary consent of the General Partner. Prospective investors in the Fund are required to represent that they have acquired their Units in the Fund for investment purposes only, not for potential resale or distribution. Due to the illiquid nature of the Fund, Limited Partners of the Fund are not permitted to make withdrawals from the Fund.

For the foregoing reasons, Limited Partners will be restricted in their ability to limit their respective exposure to a real or perceived loss and thus bare a substantial risk of loss on their investment in the Fund.

Contingency Reserves

Under certain circumstances, the General Partner may find it necessary in connection with a distribution to establish one or more reserves for contingent liabilities by holding back a portion of amounts otherwise distributable to Limited Partners until resolution of such contingency or contingencies. As such, Limited Partners may be unable to liquidate their entire investment in the Fund until such time as the General Partner has determined that the need for such reserve has ceased. For example, and not in limitation, such a reserve might be established if the Fund were subject to an audit by the IRS or involved in litigation.

Limitations on Transfer; No Market for Units

Limited Partners will not be permitted to transfer their Units without the prior written consent of the General Partner, which consent may be withheld for any reason, conditioned or delayed in the sole discretion of the General Partner. Units will be issued upon certain exceptions from registration or qualification under applicable United States federal and state securities laws and, accordingly, will be subject to certain restrictions on transferability under such laws. Ordinarily, this means that transfers will be restricted to instances of death, gift, passage by operation of law or transfer to other persons who must also be both Accredited Investors and Qualified Purchasers and who are approved by the General Partner, in its sole discretion. There is currently no market for the Units and it is not contemplated that one will develop. Units should only be acquired by investors who are able to commit their funds for an indefinite period of time.

Lack of Registration under Investment Company Act

While the Fund may be considered similar to an investment company, the Fund does not intend to register as investment companies under the Investment Company Act in reliance upon an exemption available to privately offered investment companies under Section 3(c)(7) thereof. The Investment Company Act provides certain protection to investors and imposes investment restrictions on registered investment companies (including, for example, limitations on the ability to incur leverage, a requirement that securities held in custody at all times be individually segregated from the securities of any other person and marked to clearly identify such securities as the property of such investment company and regulations as to the relationship between the adviser and the investment company), none of which will be applicable to the Fund. Pursuant to Section 3(c)(7), limited partnership interests may only be beneficially owned by Qualified Purchasers.

Changes in Applicable Law

The Fund must comply with various legal requirements, including, but not limited to, United States federal and state securities laws. If any of the laws and regulations currently in effect should change or any new laws or regulations should be enacted, the legal requirements to which the Fund and the Partners

may be subject could differ materially from current requirements and may materially and adversely affect the Fund and the Partners.

No Separate Counsel

Pepper Hamilton LLP acts as counsel to the Fund, the General Partner and Opco. No separate counsel has been retained to act on behalf of the Limited Partners. This Memorandum was prepared based on information furnished by the General Partner and Opco and Pepper Hamilton LLP has not independently verified such information.

Possible Adverse Tax Consequences

The Fund will not request any ruling from the IRS as to any federal income tax consequences relating to the structure or operation of the Fund. There can be no assurance that any tax position taken by the Fund will not be challenged by the IRS. Certain federal income tax consequences of an investment in the Fund are described in Annex 2 to in this Memorandum. Some of the tax risks are:

- Due to the Fund's investment strategy, the general and administrative expenses of the Fund, including the Management Fee, will likely be treated as portfolio losses or expenses and not expenses incurred in the operation of a trade or business. In such an event, these expenses will be treated as miscellaneous itemized deductions that, in the case of a non-corporate Limited Partner, will be subject to significant deduction limitations such as the 2% of adjusted gross income floor on deductibility, as well as the overall limitation on itemized deductions for tax years beginning before January 1, 2010, and would not be deductible at all for purposes of the alternative minimum tax. Furthermore, if any reallocations of net profits (or items of gross income) to the General Partner (including the Carried Interest) were ultimately determined to be a payment of a fee rather than an allocation of gain or income, such fee would also likely be a miscellaneous itemized deduction subject to the limitations discussed above.
- A Limited Partner may be allocated income and gain which is taxable for federal (and possibly state and local) income tax purposes without a corresponding cash distribution and without the ability to withdraw funds from the Fund to pay the tax thereon.
- An allocable share of a tax-exempt Limited Partner's income may be UBTI to the extent that the Limited Partner's interest in the Fund is debt financed or the Fund invests in assets that produce UBTI or itself borrows money to acquire property.

EACH PROSPECTIVE INVESTOR MUST CONSULT THE INVESTOR'S OWN TAX ADVISER REGARDING THE TAX TREATMENT OF THE PARTNERSHIP AND THE UNITED STATES FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF PURCHASING, HOLDING OR SELLING ANY INTEREST IN A FUND. SEE ANNEX 2 - TAX CONSIDERATIONS.

TAX CONSIDERATIONS

Attached to this memorandum as **Annex 2** is a summary of certain aspects of the taxation of the Fund and the Partners which should be considered by a potential investor in the Fund. In view of the complexities of the income tax laws applicable to partnerships and securities transactions and in order to understand fully the federal, local and foreign income tax consequences of such investment in an investor's particular situation, a person considering investing in the Fund should consult its or his tax adviser. No attempt is made herein either to mention all of the tax considerations which should be taken into account in evaluating a potential investment in the Fund or to provide a complete explanation of those issues which are summarized. No representation is made in this Memorandum as to the tax consequences of the operation of the Fund.

We anticipate that the majority of the Fund's investments will not generate substantial amounts of UBTI; however, there are no restrictions on the Fund's ability to receive income that could be characterized as UBTI. In addition, loans to the Fund (including advances used to fund investments in Underlying Funds in advance of capital contributions from Partners) may give rise to UBTI with respect to income derived from assets deemed financed by those loans except to the extent those loans have been repaid (e.g., by Partners' capital contributions), and may in addition give rise to UBTI from the sale of those assets during the one-year period after the loan is repaid.

OFFERING OF SECURITIES

General

The Fund is offering limited partnership interests in the Fund denominated as Units. The minimum Commitment is \$500,000 for Class A Units and \$5,000,000 for Class B Units. The General Partner has made the following three exceptions to the \$5,000,000 minimum requirement for Class B Units:

- (i) all funds invested by investors affiliated with the Limited Partner (including family members of the Limited Partner) (the "**Affiliated Investors**") will be aggregated and, if together they exceed \$5,000,000, then each such Affiliated Investor will receive Class B Units;
- (ii) if the Limited Partner (together with its Affiliated Investors and taking into account investments made by all such investors in the Fund, the OGR Fund and the Hedge Fund (including any offshore funds or parallel funds associated with any of such funds)) is seeking to make an investment in the Fund that in the aggregate is less than \$5,000,000 but is nonetheless substantial in the view of the General Partner and if the Limited Partner (together with its Affiliated Investors) currently has at least ten million dollars (\$10,000,000) in the aggregate invested in other alternative investment vehicles sponsored by the Sponsor or advised by the General Partner, the General Partner may, in its sole discretion, allow the Limited Partner to acquire Class B Units;
- (iii) if the Limited Partner (together with its Affiliated Investors and taking into account investments made by all such investors in the Fund, the OGR Fund and the Hedge Fund (including any offshore funds or parallel funds associated with any of such funds)) is seeking to make an investment in the Fund that is in the aggregate at least \$500,000 and if the Limited Partner's investment (together with those investments of its Affiliated Investors) is the result of a recommendation made by a financial advisor or consultant that (x) is not an Affiliated Financial Advisor and is not otherwise an affiliate of either the Sponsor or the General Partner and (y) has recommended investment in the Fund, the OGR Fund or the Hedge Fund (including any offshore funds or parallel funds associated with any of such funds) to other investors that have (taking into account investments made by the Limited Partner and its Affiliated Investors) collectively made investments in any one or more of the Fund, the OGR Fund or the Hedge Fund (including any offshore funds or parallel funds associated with any of such funds) that are in the

aggregate at least \$5,000,000, the General Partner may, in its sole discretion, allow the Limited Partner to acquire Class B Units; and

(iv) additional investments by an Investor and its Affiliated Investors in the Fund, the OGR Fund and the Hedge Fund (including any offshore funds or parallel funds associated with any such funds) will be aggregated with prior investments made by the Investor and its Affiliated Investors in the Fund, the OGR Fund and the Hedge Fund (including any such offshore fund or parallel fund) and, if together they exceed \$5,000,000 at any time, then the Investor will receive Class B Units in the Fund or any Offshore Fund (or any Parallel Fund), as applicable, effective as of such time and any Class A Interests held by the Investor in the Fund or any Offshore Fund (or any Parallel Fund) will be deemed to have been withdrawn (or redeemed) and the proceeds of such deemed withdrawal (or redemption) shall be deemed to have been used to purchase (or contributed in exchange for) Class B Units, such that the Investor will own only Class B Units after such investment. For purposes of such aggregation, an Investor's investment will be calculated based on the net asset value of such Investor's investment in the Hedge Fund (or any offshore fund or parallel fund related thereto) and the Liquid Asset Vehicle (whether held directly or indirectly through the such Investor's investment in the OGR Fund with respect to the Liquid Asset Vehicle or any offshore fund or parallel fund related to the OGR Fund)), the amount of capital contributed by such Investor to the Fund (directly or indirectly through the OGR Fund or any offshore fund or parallel fund related to the OGR Fund, or the Offshore Private Equity Fund) and the amount, if any, committed directly but not yet contributed by the Investor to the Fund (directly or indirectly through the Offshore Private Equity Fund).

Investors seeking to qualify for Class B Units under the exceptions to the minimum requirement set forth in clauses (i) and (ii) above must qualify based on disclosures made in their initial subscription documents.

Investment in the Class A Units and Class B Units of the Fund will be offered until April 30, 2009. The General Partner, in its sole discretion, may extend the offering of such Units for an additional six months after such date. The period during which new subscriptions may be accepted and Units may be issued by the Fund is referred to herein as the "Subscription Period."

The offering is not contingent upon the sale of a minimum amount of Units, nor is there a limit on the size of the offering. The General Partner reserves the right to suspend or terminate the offering of the Units at any time without notice.

Plan of Distribution

Opco will provide placement services to the Fund pursuant to which Opco and Affiliated Financial Advisors will offer the Units, on a non-exclusive basis to clients of Opco. No fees, commissions or other compensation is payable by the Fund to Opco or any of the Affiliated Financial Advisors. However, Opco will compensate the Affiliated Financial Advisors for placing their clients in investment products offered or sponsored by Opco and its affiliates, including the Fund. This compensation will be based on an existing plan of compensation pursuant to which Opco takes into account sales of all investment products offered or sponsored by Opco and its affiliates which are originated by an Affiliated Financial Advisor. Such compensation will not be a Fund Expense. In addition, an individual Affiliated Financial Advisor may, with the client's consent, charge a fee to his or her client for placing the investor in the Fund. Such fees are charged by and payable by the investor to the Affiliated Financial Advisor and are not remuneration to Opco. For the Fund, such charge is in addition to the capital commitment amount reflected on the investor's subscription agreement. If charged, the Affiliated Financial Advisor would generally be entitled to retain such fee.

The Fund and the General Partner reserve the right to select additional registered broker-dealers to effect sales of Units and to pay placement fees or commissions to such broker-dealers in amounts which the

General Partner believes to be appropriate. The General Partner also reserves the right to pay commissions, placement fees, referral fees or finder's fees by paying or assigning a portion of the Management Fee or Carried Interest to a placement agent or finder.

In the event a placement agent or finder is engaged for the Fund, any fees or commissions payable to the placement agent or finder will be paid by the Fund and be satisfied from the Management Fee. In no event will any fees and commissions charged by a placement agent, finder or any financial adviser affiliated with the Sponsor be a general Fund Expense or otherwise affect the capital accounts of any other Partner.

Manner of Subscribing

The Units issued by the Fund will be sold only to persons or entities that represent in writing that they meet the qualifications described in this Memorandum under the caption "Investor Suitability Standards." An investor who qualifies may subscribe for Units by completing and submitting a Subscription Package in accordance with the instructions set forth in the Subscription Package.

Investor Suitability Standards

Investing in the Fund involves substantial risks. Prospective investors should carefully consider, among other factors, the conflicts and risks described in the "Potential Conflicts of Interest" and "Risk Factors" sections of this Memorandum. Due to the nature of the investment, an investment in the Fund is suitable only for persons who have adequate means of providing for their current needs and personal contingencies and have no need for liquidity in their investment in the Fund.

Units may be purchased only by investors who meet the definitions of (i) "Accredited Investor" under Regulation D of the Securities Act and (ii) "Qualified Purchaser" under the Investment Company Act. Each prospective investor will be required to make representations relating to its status as an Accredited Investor and Qualified Purchaser. For the convenience of prospective investors, such terms are defined in **Annex 1** to this Memorandum.

Each prospective investor will also be required to represent that it has such knowledge and experience in financial and business matters that the investor is capable of evaluating the merits and risks of the proposed investment and that the investor can bear the economic risk of the investment (i.e., at the time of the investment, the prospective investor can afford a complete loss of the investment and can afford to hold the investment for an indefinite period of time). In addition, the investor must represent that an investment in the Fund will not adversely affect the investor's overall need for diversification and liquidity.

Moreover, the General Partner may require evidence that (i) the prospective investor has such knowledge and experience in financial and business matters that the prospective investor is capable of evaluating the merits and risks of the investment or (ii) the prospective investor, together with such representatives as the prospective investor relies upon for investment advice, has such knowledge and experience in financial and business matters that they are capable of evaluating the merits and risks of the investment and that the prospective investor itself is capable of bearing the economic risk of the investment.

In addition, each prospective investor will be required to represent that it has received all information requested by it in connection with the Fund and that the investor is not acquiring the Units for distribution or resale.

The suitability standards referred to above represent minimum suitability requirements for prospective investors and the satisfaction of such standards by a prospective investor does not necessarily mean that the Units are a suitable investment for such investor or that the investor's subscription will be accepted.

The General Partner may, in its sole discretion, modify the foregoing suitability requirements. In addition, the General Partner, in its sole discretion, has the right to reject a subscription for any reason.

ACCESS TO INFORMATION

Subject to the discretion of the General Partner, prospective investors and/or their professional advisers may review, at the principal office of the General Partner, at any reasonable time after reasonable prior notice, information relating to the Fund's activities, the Partnership Agreement, its management and this offering.

The General Partner will answer inquiries from prospective investors and/or their designated representatives or advisers concerning the Fund, the General Partner, and any other matters relating to the organization of the Fund and the offering and sale of the Units, and will afford to prospective investors and/or their professional advisers the opportunity to obtain additional information (to the extent that the General Partner possesses such information, or can acquire it without unreasonable effort or expense, and to the extent that such information is not regarded by the General Partner as a trade secret or subject to confidentiality obligation) necessary to assess the accuracy of any information set forth in this Memorandum. For competitive and other reasons, the actual identity of securities held in the Fund's investment portfolio or information about Portfolio Companies of our Underlying Funds may be kept confidential. In such case, the General Partner will reveal information regarding such companies, only in its sole discretion.

Inquiries should be directed to the Fund:

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Oppenheimer Asset Management, LLC
200 Park Avenue
New York New York 10166

Brian Williamson
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Annex 1
Glossary

“Accredited Investor” as defined under the Securities Act, includes any of the following:

- a. an individual who has a net worth, or joint net worth with that individual’s spouse, at the time of investment in excess of \$1,000,000; or
- b. an individual who has had income in excess of \$200,000 (or joint income with his spouse in excess of \$300,000) in each of the two most recent years and who reasonably expects to reach the same income level in the current year;
- c. banks acting in an individual or fiduciary capacity;
- d. insurance companies;
- e. certain qualified employee benefit plans;
- f. small business investment companies licensed by the United States Small Business Administration; and
- g. a corporation, partnership or business trust (a) that was not formed for the purpose of acquiring a Unit in the Fund which has total assets in excess of \$5 million or (b) in which all of the equity owners are accredited investors.

“Affiliated Financial Advisor” means a financial advisor affiliated with Opco.

“Carried Interest” means the (a) 10% in respect of Class A Units of the Fund (inclusive of Class C/A Units) and (b) 5% in respect of Class B Units of the Fund (inclusive of the Class C/B Units), of profit interest allocable to the General Partner.

“Code” means the Internal Revenue Code of 1986, as amended.

“Co-Investment Fund” means Oppenheimer Private Equity Co-Investment Fund I, L.P., a Delaware limited partnership.

“Commitments” means a commitment by a Partner to contribute capital to the Fund in exchange for Units.

“Direct PE Investments” means private companies, joint ventures and other direct investments related to Natural Resource and Related Assets.

“Distributable Cash” means the cash that the General Partner determines in its sole discretion to be available for distribution by the Fund to its Partners.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“Fund” means Oppenheimer Global Resource Private Equity Fund I, L.P.

“General Partner” means Oppenheimer Alternative Investment Management, LLC, a Delaware limited liability company.

“Indemnified Person” means the Sponsor, General Partner, Opco, and their respective affiliates, directors, officers, and employees (including the Investment Professionals) and such other persons who may be entitled to indemnification by the Fund as provided in the Partnership Agreement.

“Investment Advisers Act” means the Investment Advisers Act of 1940, as amended.

“Investment Company Act” means the Investment Company Act of 1940, as amended.

“Investment Professionals” means the employees of the Sponsor who are responsible for the management of the Fund. The Fund’s Investment Professionals include Brian Williamson and Patrick Kane.

“IRS” means the Internal Revenue Service.

“Limited Partner” means any person who executes and delivers a Subscription Package to the Fund, makes a Commitment for Units and is admitted to the Fund as a limited partner.

“Liquid Asset Vehicle” means the limited liability company whose sole member is the OGR Fund and that will invest primarily in securities which have a natural resources and energy-related focus and which can be more readily liquidated than the investments of the Hedge Fund.

“Management Fee” means the quarterly management fee payable by the Fund to Opco.

“Manager” means the third-party investment advisers or managers of the Underlying Funds.

“NASD” means the National Association of Securities Dealers, Inc.

“Natural Resource and Related Assets” means natural resource, power generation and energy-related assets and their changing dynamics including, but not limited to, energy, timber, water, minerals, mined resources, agriculture, and the transportation, distribution, utilization, management and support of, and technologies being developed for, these resources and related assets, and including, but not limited to, assets relating to the protection, renewal or replacement of environmentally protected or sensitive areas or wildlife such as wetlands and endangered species and their habitats.

“New Issues” means any initial public offering of an equity security as defined in Section 3(a)(11) of the Securities Act, made pursuant to a registration statement or offering circular, except that a New Issue shall not include an exempt offering as defined in parts (i)(9)(A) through (i)(9)(I) of NASD Rule 2790.

“OECD” means the Organization for Economic Co-operation and Development and includes the following member countries: Australia; Austria; Belgium; Canada; Czech Republic; Denmark; Finland; France; Germany; Greece; Hungary; Iceland; Ireland; Italy; Japan; Korea; Luxembourg; Mexico; Netherlands; New Zealand; Norway; Poland; Portugal; Slovak Republic; Spain; Sweden; Switzerland; Turkey; United Kingdom; and the United States.

“Offshore Fund” means any entity that is formed by the Sponsor, General Partner or Opco or an affiliate thereof, under the laws of a jurisdiction other than the United States, which will invest in or together with, and on the same basis as, the Fund, including through a master-feeder fund structure through which the Fund may hold its investments.

“Opco” means Oppenheimer & Co. Inc., a New York corporation.

“Partners” means a collective reference to the General Partner and the Limited Partners and ***“Partner”*** means the General Partner or any Limited Partner.

“Partnership Agreement” means the Amended and Restated Agreement of Limited Partnership of the Fund, dated as of the date of the initial closing of the Fund, as the same may be modified, amended or restated from time to time in accordance with the terms therein.

“PE Investment Assets” means Underlying Funds and Direct PE Investments.

“Portfolio Company” means a company in which an Underlying Fund may be invested or it means a Direct PE Investment, as the context may require.

“Preferred Return” means an annual compounded return of 8% on a Limited Partner’s unreturned capital contributions to the Fund.

“Qualified Purchaser” as defined in the Investment Company Act, includes any of the following:

- a. any natural person (including any person who holds a joint, community property, or other similar shared ownership interest in an issuer that is excepted under section 3(c)(7) with that person’s qualified purchaser spouse) who owns not less than \$5,000,000 in investments;
- b. a “family company” that owns not less than \$5,000,000 in investments;
- c. certain trusts;
- d. an entity, acting for its own account or the accounts of other qualified purchasers, who in the aggregate owns and invests on a discretionary basis, not less than \$25,000,000 in investments; or
- e. a “qualified institutional buyer” as defined in Rule 144A, acting for its own account, the account of another qualified institutional buyer or for the account of another qualified purchaser, provided that if the qualified institutional buyer is:
 - (i) a dealer (as defined in Rule 144A), it will not be a qualified purchaser unless it owns and invests on a discretionary basis at least \$25,000,000; and
 - (ii) a plan, an employee benefit plan or a trust fund (as each term is defined in Rule 144A), investment decisions for such plans must be made solely by the fiduciary, trustee or sponsor of such plans or each beneficiary of such plan is a qualified purchaser.

“Securities Act” means the Securities Act of 1933, as amended.

“Sponsor” means Oppenheimer Asset Management Inc.

“Subscription Period” means, with respect to the Fund, the period during which Units in the Fund are offered by the General Partner.

“Tax Distribution” means a distribution by the Fund of an amount (determined by the General Partner) to Partners of the Fund to fund, or assist in funding, tax liabilities attributable to income from the Fund’s operations.

“Treasury Regulations” means the regulations promulgated by the IRS under the Code.

“UBTI” means unrelated business taxable income as defined in Section 512 of the Code.

“Underlying Funds” means the private equity funds in which the Fund makes an investment that are managed by managers who invest, through privately negotiated transactions, in private companies that own, control, operate, generate, manage, transport, develop technology for, or otherwise deal with, or support, Natural Resource and Related Assets.

“*Units*” means limited partnership interests of the Fund as denominated in Units.

Annex 2
Tax Considerations

THE FOLLOWING INCLUDES A SUMMARY OF CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE ACQUISITION, OWNERSHIP AND DISPOSITION OF UNITS IN THE FUND. TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, PROSPECTIVE INVESTORS IN THE FUND ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF FEDERAL TAX ISSUES IN THIS MEMORANDUM IS NOT INTENDED OR WRITTEN TO BE RELIED UPON, AND CANNOT BE RELIED UPON BY INVESTORS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON INVESTORS UNDER THE INTERNAL REVENUE CODE; (B) SUCH DISCUSSION IS WRITTEN IN CONNECTION WITH THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN BY THE FUND TO PROSPECTIVE INVESTORS; AND (C) INVESTORS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

The following is a summary of certain aspects of the taxation of the Fund and the Partners which should be considered by a potential investor in the Fund. However, particularly in view of the complexities of the income tax laws applicable to partnerships and securities transactions, and because no attempt is made herein either to mention all of the tax considerations which should be taken into account in evaluating a potential investment in the Fund or to provide a complete explanation of those issues which are summarized, a person considering investing in the Fund should consult his or her tax adviser in order to understand fully the federal, local and foreign income tax consequences of such investment in his or her particular situation. No representation is made in this Annex to the Memorandum or elsewhere in the Memorandum as to the tax consequences of the operation of the Fund.

Except as specifically indicated, the following general discussion (i) assumes that each investing Limited Partner is an individual who is a United States citizen or resident that is not tax-exempt and that each investing Limited Partner holds Units as a capital asset and is the initial holder of such Units and (ii) does not deal with the consequences of the ownership of a Unit by special classes of holders such as banks, thrifts, insurance companies, dealers, traders in securities that elect to mark their securities portfolios to market and other investors that do not own their Units as capital assets.

Federal Income Tax Considerations

The following discussion is based on the Code, Treasury Regulations, court decisions and published rulings of the IRS as in effect on the date of this Memorandum. The Fund has not requested nor does the Fund intend to request, any rulings from the IRS. A court might reach a contrary conclusion with respect to the issues addressed if the matter were contested. In addition, future legislative or administrative changes or court decisions may significantly change the conclusions expressed herein, and any such changes or decisions may have a retroactive effect.

Partnership Status

The General Partner believes that under current law, the Fund is and will continue to be taxable as a partnership for federal income tax purposes and not as association or “publicly-traded partnership” taxed as a corporation, and, therefore, it will not be subject to any federal income tax. No ruling from the IRS with respect to such partnership status has been or will be sought. In the absence of such a ruling, there can be no assurance that the IRS will not successfully contend that the Fund should be treated as an association or publicly-traded partnership taxable as a corporation.

If the Fund should at any time be classified as an association or publicly-traded partnership taxable as a corporation, the investing Limited Partners would not be treated as partners for tax purposes, income or loss of the entity would not be passed through to the Limited Partners and the entity would be subject to tax on its income at the rates applicable to corporations. In addition, all or a portion of distributions made by the entity to its Limited Partners could be taxable to them as dividends (to the extent of current or accumulated earnings and profits) or capital gains, while none of those distributions would be deductible by the entity in computing its taxable income. Any such recharacterization would reduce the after-tax return to a Limited Partner from its investment in the Fund.

The discussion in the following paragraphs assumes the Fund will be treated as a partnership for federal income tax purposes.

Taxation of Fund Operations – General

As a partnership, the Fund will not be subject to federal income tax. The Fund will file an annual partnership information return which will report the results of its operations. Each Partner of the Fund will be required to report separately on his or her own income tax return his or her distributive share of the net long-term capital gain or loss, net short-term capital gain or loss, dividend income, net ordinary income (including interest received) or deduction, and various other categories of income, gain, loss, deduction and credit of the Fund for the taxable year of the Fund ending within or with the Partner's taxable year, regardless of whether the Partner has received any distributions from the Fund. The characterization of an item of profit or loss usually will be determined at the Fund (rather than at the Partner) level. However, various loss limitations may prohibit Limited Partners from including distributive shares of Fund losses on their individual tax returns.

The Fund believes that its allocations of partnership tax items among the various Partners will be upheld under the provisions of the Code and Treasury Regulations dealing with tax allocations by partnerships. However, if it were determined that an allocation made by the Fund, with respect to a particular item did not have "substantial economic effect" (within the meaning of the Code and Treasury Regulations) and was not in accordance with the Partners' Units in the Fund, taking into account all the facts and circumstances, that item could be allocated, for tax purposes, in a different manner. In some circumstances, this could result in a Partner recognizing a greater or smaller amount of loss, deduction, gain or income than such Partner would have recognized under the allocation made by the Fund, or in such Partner recognizing an amount of loss, deduction, gain or income at a different time than such Partner would have recognized such amount under the allocation made by the Fund.

The Carried Interest allocable to the General Partner is intended to be a distributive share of the Fund's income. The General Partner believes this result is supported by the fact that no such allocation will be made if the Fund's net profits for a particular year do not exceed the Preferred Return with respect to its Limited Partners' capital accounts for that year. However, the IRS may seek to characterize some or the entire amount as allocable as a fee to the General Partner and an expense of the Fund, with the result that its deductibility may be limited. See "*Deductibility of Certain Fund Expenses by Individual Partners*" below.

Each Partner will be subject to tax on his or her distributive share of the taxable income or loss of the Fund regardless of whether the Partner has received or will receive any distribution of cash from the Fund.

Taxation of Fund Operations – Securities Transactions

The taxation of securities transactions (including transactions in commodities) is extremely complex and no attempt is made herein to fully describe the various tax rules that apply to such transactions or to explain in complete detail those rules which are mentioned. However, some general points may be noted.

The Fund invests primarily in interests of multiple limited partnerships or limited liability companies managed by third-parties (i.e., the Underlying Funds). The Underlying Funds in turn, invest in various securities of operating entities. Accordingly, the performance of the Fund is the result of the aggregate or net performance of the Underlying Funds. Assuming all of the Underlying Funds are treated as partnerships for federal income tax purposes, the net performance of the Underlying Funds is passed through to the Fund.

Preferential tax treatment is accorded the net long-term capital gains of individual taxpayers. Under present law, and effective through 2010, such net long-term capital gains are taxed at a stated maximum rate of 15% (for most assets held for more than twelve months) in lieu of a stated maximum rate of 35% for ordinary income. After 2010, the stated maximum rate for net long-term capital gains is currently set to revert to 20%. However, because the receipt of additional income (whether capital gain or ordinary income) may result in the loss of the use of itemized deductions and the deduction for personal exemptions, the true effective marginal rate of taxation may be somewhat higher than the stated maximum rate. The capital losses of a noncorporate taxpayer will offset capital gains and any excess of capital losses over capital gains will offset ordinary income to the extent of \$3,000 per year, with the unused capital losses being carried forward to other years, subject to certain limitations.

For corporate taxpayers, all net capital gains, whether long-term or short-term, are taxed at the corporation's regular tax rate. For such taxpayers, capital losses may only offset capital gains, but unused capital losses may be carried backwards and forwards to other years, subject to certain limitations.

The Fund will file its tax returns on the basis that, for tax purposes, it is not a "dealer" with respect to its securities transactions. Generally, the gains and losses recognized by a taxpayer other than a dealer on the sale of securities are capital gains and losses (unlike the gains or losses of dealers, which are in whole or in part characterized as ordinary income), and the Fund expects that its gains and losses with respect to securities transactions will, in general, be so treated. These capital gains and losses may be long-term or short-term, or a combination of both, depending on the length of time the particular investment position has been maintained and, in some cases, the nature of the transaction.

The Underlying Funds may recognize ordinary income from dividends on securities. However, under present law, and effective through 2010, preferential tax treatment is accorded to "qualified dividend income," which is taxed at a stated maximum rate of 15% in lieu of a stated maximum rate of 35% for ordinary income. After 2010, the maximum stated rate for dividend income is currently set to revert to 35%. Because the receipt of additional income (whether qualified dividend income or ordinary income) may result in the loss of the use of itemized deductions and the deduction for personal exemptions, the true effective marginal rate of taxation may be somewhat higher than the stated maximum rate.

The Underlying Funds may also recognize ordinary income from accruals of interest on securities. The Underlying Funds may hold debt obligations with "original issue discount." In such case, the Underlying Funds would be required to include constructive interest payments in taxable income on a current ratable basis even though receipt of such amounts may occur in a subsequent year. Similar rules may also apply to certain types of preferred stock held by the Underlying Funds. The Underlying Funds may also acquire debt obligations with "market discount." Upon disposition of such an obligation, the Underlying Funds generally would be required to treat gain realized as interest income to the extent of the market discount which accrued during the period the debt obligation was held by the Underlying Funds.

For financial statement presentation purposes, all securities held by the Fund, and securities held by the Underlying Funds (i.e., securities of companies classified as private equity investments) will generally be valued at fair market value. This treatment is inconsistent with the generally applicable tax rule that a transaction does not result in a gain or loss until it is closed by an actual sale or other disposition. The dichotomy between accounting and tax treatment may result in substantial variation between financial statement income (or loss) and taxable income (or loss) reported by the Fund.

Basis Limitation on the Deduction of Losses

Any net loss for a year allocated by the Fund to a Partner for tax purposes may be deducted by that Partner only to the extent of the “adjusted tax basis” of such Partner’s Units and then only to the extent that various loss limitation rules of the Code do not apply to the loss (such as the at-risk and passive activity rules discussed below). Generally, a Partner’s basis for a Unit will initially equal the sum of the Partner’s initial cash contribution to the Fund and the adjusted tax basis of any property contributed to the Fund. A Partner’s basis will be increased by (a) any subsequent capital contributions such Partner makes to the Fund and (b) the Partner’s distributive share of partnership income for tax purposes. A Partner’s adjusted tax basis for such Partner’s Units will be decreased (but not below zero) by (x) distributions to such Partner from the Fund and (y) such Partner’s distributive share of partnership losses and deductions for tax purposes. Losses in excess of a Partner’s adjusted tax basis may be carried over to succeeding taxable years, subject to certain limitations. Liabilities of the Fund may also be included in the basis of a Partner’s Units pursuant to complex partnership liability sharing rules depending on the tax classification of such liabilities as recourse or nonrecourse as to such Partner and the other Partners of the Fund.

At-Risk Limitations of Section 465 of the Code

The “at-risk” rules of Section 465 of the Code could have an adverse impact on a Partner in connection with the deductibility of losses from the Fund. Under Section 465 of the Code, an individual Partner may deduct losses from business and investment activities only to the extent of the aggregate amount such Partner has “at risk” in the activity conducted by the Fund at the close of the Partner’s taxable year. In general, a Partner’s amount at risk is initially equal to the amount of personal funds and the adjusted basis of unencumbered property which is contributed to the Fund. A Partner’s amount at risk is generally increased by such Partner’s distributive share of partnership income (including tax-exempt income) and decreased by distributions and such Partner’s distributive share of partnership losses. In general, amounts borrowed for use by the Fund increase a Partner’s amount at risk only to the extent such Partner is personally liable for repayment of the borrowed amount or has pledged property not used by the Fund as security for a partnership loan. Prospective investors should consult their own tax advisers concerning the application of the at-risk rules to their personal circumstances.

Passive Activity Limitations of Section 469 of the Code

Section 469 of the Code imposes certain restrictions on the ability of noncorporate taxpayers, as well as certain closely held subchapter C corporations and personal service corporations, to deduct losses and credits from passive activities. In general, a passive activity is a trade or business activity in which a taxpayer does not materially participate. Section 469 of the Code generally provides that losses and credits from a passive activity may be used only to offset income from other passive activities, but not portfolio income. Conversely, income from a passive activity generally may be offset by losses and credits from other passive activities and from an “active” business, but not by “portfolio” losses. However, with respect to certain closely held subchapter C corporations, passive losses and net income from an active business may be offset against each other.

Potential investors are advised to consult their own tax advisers concerning the issues discussed in this subsection.

Limitations on Deductibility of Interest

For noncorporate taxpayers, Section 163(d) of the Code limits the deduction for “investment interest” (i.e., interest expense (including certain short sale expense) allocable to investment property). Investment interest is not deductible to the extent that it exceeds the taxpayer’s net “investment income” (generally, the excess of (a) the ordinary income derived from investments and the net gain attributable to the disposition of property held for investment over (b) the deductions, other than for interest, which are

directly connected with the production of investment income). However, net long-term capital gains and qualified dividend income are excluded from the category of net investment income, unless the taxpayer elects to pay tax on such amounts at ordinary income rates. A Partner who cannot deduct investment interest currently as a result of the application of Section 163(d) of the Code would be entitled to carry forward such deductions to future years, subject to the same limitation.

Whether or not the activities of the Fund are deemed to constitute the conduct of a trade or business, it is likely that the investment interest limitations would apply to the deductibility by a Partner of such Partner's share of the interest expenses attributable to the operations of the Fund as well as to any interest paid by him on money borrowed to finance such Partner's investment in the Fund. It would also appear that the excess of a Partner's share of income of the Fund over that Partner's share of expenses of the Fund would constitute net investment income. However, the above characterization of income and expenses would not apply to the extent that the activities of the Fund are deemed to be passive activities. Because of the uncertainties which exist regarding this area of the law, potential investors are advised to consult their own tax advisers concerning the issues discussed in this subsection.

In addition to the limitation on the deduction of investment interest expense, depending upon a given Partner's particular situation, if the Partner owns tax-exempt obligations, interest paid on funds borrowed for purposes of making an investment in the Fund may be considered to be incurred to enable the investor to continue to carry tax exempt obligations, and therefore could be subject to the limitations of the Code which disallow any deduction for interest on indebtedness incurred or continued to purchase or carry tax-exempt obligations.

Deductibility of Certain Fund Expenses by Individual Partners

A Partner may be further limited in deducting expenses even if the Fund recognizes net income. Non-corporate taxpayers may deduct miscellaneous itemized deductions, including investment expenses, only to the extent such deductions exceed, in the aggregate, 2% of the taxpayer's adjusted gross income. The Management Fee and other expenses paid by the Fund will likely be characterized as an investment expense. A non-corporate Limited Partner therefore will be permitted to deduct such expenses only to the extent that the sum of such expenses plus the individual's other miscellaneous itemized deductions exceed 2% of the individual's adjusted gross income. The Code further restricts the ability of a noncorporate taxpayer with adjusted gross income in excess of a specified amount (e.g. for 2008, \$159,950 or \$79,975 for a married person filing a separate return) to deduct such investment expenses. Investment expenses in excess of 2% of adjusted gross income may only be deducted to the extent such excess expenses (along with certain other itemized deductions) exceed the lesser of (i) 3% of the excess of the non-corporate taxpayer's adjusted gross income over the specified amount, or (ii) 80% of the amount of certain itemized deductions otherwise allowable for the taxable year. The reduction in the preceding sentence is itself reduced for 2008 and 2009 by 2/3, and in 2010 by the full amount of such reduction, and thereafter the full amount of such reduction applies again. Investment expenses also are not deductible by a noncorporate taxpayer in calculating its alternative minimum tax liability. Corporate taxpayers and tax-exempt organizations are not affected by the 2% floor.

Distributions and Dispositions of Units

The Fund may revalue the "book" value of its assets periodically for tax purposes at such times as set forth in the Treasury Regulations promulgated under Section 704 of the Code including when new Partners are admitted to the Fund. Such revaluations will have the effect of allocating unrealized appreciation and depreciation in the revalued assets to such Partners for book (but not tax) purposes at the time of the revaluation. The Partners would be specially allocated such appreciation and depreciation for tax purposes on the taxable disposition of the revalued property by the Fund (or on a distribution of the revalued property to certain partners). Prospective investors should consult their own tax advisers concerning this issue.

Gain (but not loss) will be recognized by a Partner to the extent the Fund distributes an amount of money (or in certain circumstances, marketable securities) which exceeds the Partner's adjusted basis for such Partner's Units immediately before the distribution after taking into account all allocations, for the accounting period in which the withdrawal occurs. This gain would generally have the same character as would gain realized by a Partner upon a sale or exchange of a Unit. A loss, if any, would be recognized by a Partner only upon a distribution in liquidation of all of his or her Units. Certain special rules would apply if one of the Fund were to distribute property rather than cash.

If a Partner sells his or her interest in the Fund, then, with certain exceptions, any resulting gain or loss will be treated as capital gain or capital loss and, to the extent the Partner has a long-term holding period in his or her Unit, the capital gain or loss will be treated as long-term. The sale or exchange within a twelve-month period of 50% or more of the total interest in the Fund's capital and profits may result, for federal income tax purposes, in a termination of the Fund, a constructive contribution of all of the Fund's assets and liabilities to a new partnership followed by a constructive distribution of Units in the new partnership to the Partners. Such a termination would close the taxable year of the Fund so that each Partner's distributive share for that short year would be included in its taxable year during which the termination takes place and could have certain other adverse tax consequences.

The closing of the taxable year of the Fund will also occur with respect to a Partner who terminates his or her entire interest. As a result, all income attributable to long-term appreciation of a Partner's interest over several years could be taxable to that Partner in the taxable year of such termination.

Items of taxable income and loss of the Fund for a year in which a Partner sells all (or any portion) of such Partner's Units will be allocated between the Partner reducing such Partner's interest in the Fund and the other Partners as permitted by the Code.

Basis Adjustment Election

Pursuant to the terms of the Partnership Agreements, the General Partner is authorized, but not required, to cause the Fund to elect under Section 754 of the Code to have the basis of its assets adjusted in the event of a distribution of money or property to a Partner or in the event of a transfer of an interest in the Fund by sale or exchange or as a result of the death of a Partner. If made, such election could be revoked only with the consent of the IRS. Until revoked, the election would apply to all such transactions during the year for which made and for subsequent taxable years. Due to the complexity and costs involved in making such an election, it is unlikely that the General Partner would make such an election.

Basis Adjustment for Built-In Loss

Pursuant to Section 743(a) of the Code, unless the Fund makes an election under 743(e)(6)(G) of the Code, the basis of its assets is required to be adjusted if there is a transfer of Units in the Fund by sale or exchange or on the death of a Partner, if the Fund has a substantial built-in loss immediately after such transfer. A substantial built-in loss exists when the basis in the Fund's assets exceeds by more than \$250,000 the fair market value of such property. Pursuant to Section 734(a) of the Code, the basis of the Fund's assets is also required to be adjusted in the event of a distribution of property to a Partner if there is a substantial basis reduction. A substantial basis reduction exists if the sum of (a) the loss recognized to the distributee Partner plus (b) the excess of the basis of the distributed property in the hands of the distributee Partner over the basis of the property to the Fund immediately prior to the distribution exceeds \$250,000. The Fund may make the election under Section 743(e)(6)(A) in which case certain losses to a transferee partner may be disallowed.

Foreign and Other Special Investors

Any foreign person or entity, or any other person or entity subject to special tax treatment, that is

considering acquiring an interest in the Fund should consult his, her or its own tax advisers with respect to the federal, state and local tax consequences of an investment in the Fund, and in the case of a foreign person or entity, the consequences of an investment in the Fund under the laws of any jurisdictions in which such person or entity is subject to tax.

Tax-Exempt Investors

A potential investor which is a tax-exempt entity, including any employee benefit plan, should consider, and discuss with its own tax advisers, the possibility that all or a portion of its distributive share of partnership income or gain will be subject to the special tax imposed by the Code on UBTI of a tax-exempt entity. The imposition of such a tax could materially reduce the effective return which a tax-exempt investor would derive from an investment in the Fund. A tax-exempt entity should consider in particular the extent to which it will be deemed to have “unrelated debt-financed income” by reason of (a) transactions of the Fund involving the acquisition of securities on margin or otherwise through borrowing, or (b) any borrowing done by the entity to finance its investment in the Fund. Tax-exempt investors should also note that any income or gain attributable to activities categorized as those of a dealer could be subject to the tax on UBTI in its entirety whether or not it constitutes unrelated debt-financed income. A charitable remainder trust under Section 664 of the Code that has any UBTI for a taxable year is taxed on all of its income earned in that year, not just on the portion of its income that constitutes UBTI.

Shortly after the close of each year, the Fund will use its commercially reasonable efforts to supply any of its Partners which it knows to be an exempt organization (including any Partner which is itself a partnership having any partner which the Fund knows to be an exempt organization) with information which the Fund receives from Underlying Funds, or may reasonably obtain, as to the portion of its distributive share of Fund income and deductions which must be taken into account in computing UBTI. The Fund reserves the right to charge any such Partner for expenses incurred in providing such information.

Foreign Taxes

It is possible that certain dividends and interest received by the Fund from sources within foreign countries will be subject to withholding taxes imposed by such countries. In addition, the Fund may also be subject to capital gains taxes in some of the foreign countries where it purchases and sell securities. Tax treaties between certain countries and the United States may reduce or eliminate such taxes. It is impossible to predict in advance the rate of foreign tax the Fund will pay because the amount of the Fund’s assets to be invested in various countries is not known.

Partners will be informed by their respective Fund as to their proportionate share of any foreign taxes, if any, paid by the Fund. The Partners generally will be entitled to claim either a credit (subject to various limitations on foreign tax credits) or, if they itemize their deductions, a deduction (subject to the limitations generally applicable to deductions) for their share of such foreign taxes in computing their federal income taxes.

Phantom Income from Fund Investment

Pursuant to various “anti-deferral” provisions of the Code (i.e. “Subpart F,” and “passive foreign investment company”), direct or indirect investments by the Fund in certain foreign corporations may cause an investor to (i) recognize taxable income before the Fund’s receipt of distribution proceeds, (ii) pay an interest charge on receipts that are deemed as having been deferred, or (iii) recognize ordinary income that, but for the “anti-deferral” provisions, would have been treated as long-term or short-term capital gain.

State and Local Taxes

In addition to the federal income tax consequences described above, prospective investors should consider and discuss with their own tax advisers the potential state and local tax consequences of an investment in the Fund.

Partnership Audits

The income tax returns of the Fund may be audited by the IRS. The tax treatment of the income, deductions, credits and other distributive share items of the Fund generally will be determined at the Fund level in a single proceeding rather than by individual audits of the Partners. The General Partner, as the “tax matters partner” for the Fund, will have considerable authority to make decisions affecting the tax treatment and procedural rights of all of the Partners. For example, the General Partner will decide how to report all “partnership items” on the Fund’s tax returns, and all Partners of that Fund will be required to treat these items consistently on their own returns, unless they file a statement with the IRS disclosing the inconsistency. In addition, the General Partner will have the right on behalf of all Partners to extend the statute of limitations with respect to the Partners’ tax liability with respect to partnership items of the Fund.

An audit of the Fund may result in the disallowance, reallocation or deferral of deductions claimed by the Fund, as well as the acceleration or deferral of income of the Fund. The audit may also result in transactions being treated as taxable which the Fund treated as nontaxable or in the treatment as ordinary income or as short-term capital gain of items which the Fund reported as long-term capital gain. Any such change may cause a Partner to be required to pay additional tax, interest and penalties.

If the IRS audits the Fund’s tax returns, an audit of the Partners’ own returns may result, as a result of which adjustments may be made to items reported on the Partners’ tax returns, including items unrelated to the Fund. The legal and accounting costs incurred in connection with any audit of the Fund’s tax return will be borne by the Partners affected by the claim. The costs incurred in connection with any resulting audit of a Partner’s tax return will be the sole obligation of the affected Partner.

Possible Federal Tax Law Changes

The foregoing discussion is only a summary and is based upon existing federal income tax law. The federal income tax treatment of an investment may be modified at any time by legislative, judicial or administrative action. Such changes may have retroactive effect with respect to existing transactions and investments.

Reportable Transactions

Reportable Transactions are those transactions that are subject to a special tax return disclosure requirement. If an investment in the Fund or any transaction of the Fund is a Reportable Transaction, then the Fund, and in certain cases, Partners of that Fund, would be required to file a disclosure on Form 8886 with its tax return. The General Partner does not believe that an investment in any of the Fund is a Reportable Transaction, but cannot predict whether any transaction of the Fund will be deemed to be a Reportable Transaction.

Reportable Transactions include transactions which result in the Fund or any of its Partners claiming a loss (including a capital loss and a worthless securities loss), if such loss exceeds certain thresholds and if an exemption does not apply. The threshold applicable to the Fund for a loss transaction is a loss of \$2 million or more in the year of the transaction or \$4 million or more in a combination of taxable years. If the loss is a Reportable Transaction for the Fund, the Fund would be required to file Form 8886. In addition, a Partner may also be required to file Form 8886 if the Partner’s share of such loss exceeds such

thresholds. Further, a Partner that incurs a loss on the sale or transfer of the Partner's interest in the Fund (in excess of the thresholds described above) likely will be required to file Form 8886 with its tax return.

Certain partnerships and their material advisers are subject to a requirement to maintain a list identifying each person who was sold an interest in such partnership; material advisers may also be required to file a statement with the IRS disclosing information regarding such partnership. The General Partner does not expect that the list maintenance requirements and disclosure requirements will apply to any of the Fund, but the General Partner may determine in the future that such list maintenance and disclosure requirements are applicable to the Fund. Investors are advised that their names, addresses, taxpayer identification numbers and other information required under regulations may be included on such list and provided to the IRS upon request.

The penalties for non-compliance with the list maintenance requirements or with the requirement to disclose Reportable Transactions on Form 8886 range from \$10,000 to \$200,000 per failure. In addition, there is a 20% penalty imposed with respect to an understatement of tax attributable to a Reportable Transaction. This penalty is increased to 30% for understatements with respect to Reportable Transactions not disclosed on Form 8886. Certain exceptions to the penalties may apply, but their application is uncertain.

INVESTORS ARE URGED TO CONSULT THEIR OWN TAX ADVISERS REGARDING THE REPORTABLE TRANSACTION REGULATIONS.

Information

The Fund will furnish to their Partners (a) annual audited financial statements, and (b) (subject to the qualification discussed above with respect to the computation of UBTI) all necessary tax reporting information.

Annex 3**Participation by Employee Benefit Plans and Other Tax-Exempt Investors****General**

Subject to the limitations applicable to investors generally, Units may be purchased by employee benefit plans or entities holding the assets of such plans. These investors include employee benefit plans subject to Title I of ERISA or “plans” subject to Section 4975 of the Code (e.g., individual retirement accounts or Keogh plans). Governmental, foreign or church plans not subject to ERISA or the Code may also invest.

In considering whether to invest assets of an employee benefit plan in the Fund, the persons acting on behalf of the plan should consider in the plan’s particular circumstances whether the investment will be consistent with their responsibilities and any special constraints imposed by the terms of such plan and applicable federal, state or other law, including ERISA and the Code.

Plan Assets Regulations

A regulation issued by the Department of Labor at 29 C.F.R. § 2510.101-3, as modified by section 3(42) of ERISA, (the “**Plan Assets Regulations**”) provides that, when a plan acquires an equity interest in a private investment fund, the plan’s assets include its interests in the fund and an interest in each of the fund’s underlying assets unless the fund qualifies for an exception. An exception is available when participation in the fund by “benefit plan investors” is not “significant” (i.e., when benefit plan investors hold less than 25% of each class of a fund’s equity interests, after disregarding interests held by certain parties). The General Partner intends to limit participation in the Fund and the OGR Fund by “benefit plan investors” so that the Fund will qualify for this exception. For these purposes, a “benefit plan investor” is defined in the Plan Assets Regulations as any employee benefit plan (as defined in section 3(3) of ERISA) subject to Part 4 of Title I of ERISA, any plan to which section 4975 of the Code applies, or any entity whose underlying assets include plan assets by reason of a plan’s investment in the entity. The General Partner requires each Limited Partner that is a benefit plan investor to represent and agree that the General Partner may, in its sole discretion, restrict investments in the Fund by benefit plan investors, exclude additional benefit plan investors or require benefit plan investors to redeem part or all of their Units to avoid “significant participation” by benefit plan investors in the Fund. If the underlying assets of the Fund were to be considered plan assets of a benefit plan investor, the General Partner of the Fund would be a fiduciary under ERISA and/or the Code and the transactions of the Fund would be subject to the prohibited transaction rules of ERISA and the Code.

Fiduciary and Other Considerations for Plans

Employee benefit plans subject to Part 4 of Title I of ERISA and “plans” subject to Section 4975 of the Code (e.g., individual retirement accounts or Keogh plans) (collectively, “**Plans**”) are subject to the provisions of the Code, ERISA, or both, which may be relevant to a decision as to whether such Plans should invest in the Fund. In addition, each Plan is ordinarily subject to limitations on investments set forth in its Plan documents, including any trust, custodial agreement or investment policy. If an investment in the Fund is permitted by the Plan documents, the party acting for the Plan will generally be subject to rules that require Plan investments to be prudent in the context of the Plan’s purposes, consistent with the terms of the Plan documents, appropriately diversified and sufficiently liquid to meet the Plan’s need for liquidity. There may be issues as to whether an investment in the Fund and its underlying investments are “prudent,” whether the Plan is diversified, and whether a Plan’s need for liquidity has been balanced against the restrictions on transferability and the lack of liquidity associated with an investment in the Fund. Further, it is possible that the purchase of Units may be or become a non-exempt “prohibited transaction” under ERISA and/or the Code. It is recommended that legal counsel be consulted by any such employee benefit plan or other tax-exempt investor before investing in the Fund. Neither the Fund nor the General Partner makes any representation with respect to whether the Fund is

suitable investments for any such employee benefit plan or provides any legal advice regarding that investment.

Each person who acts for a Plan must recognize its fiduciary duties with respect to the particular Plan, whether or not benefit plan participation in the Fund is “significant” within the meaning of the Plan Assets Regulations. Even if the General Partner becomes a fiduciary of a Plan with respect to the underlying assets of the Fund, the person acting for the Plan agrees, by investing in the Fund, that it, and not the General Partner, will bear the fiduciary responsibility to the Plan with respect to the overall prudence, liquidity and diversification of the underlying assets (including the specific investments, as they may be constituted from time to time) of the Fund. This allocation of fiduciary responsibility to the person acting for the Plan recognizes that the General Partner will not necessarily make an individual determination whether particular investments of the Fund meet the fiduciary standards of ERISA with respect to each Plan, and the General Partner will rely on the express and implied representation by the person acting for the Plan that it has determined that the Plan’s continuing investment in the underlying assets of the Fund satisfies ERISA’s prudence requirement and other fiduciary responsibilities. The acceptance of the fiduciary responsibility for the underlying investments of the Fund by the person acting for the Plan is an express condition of the Plan’s acquisition and holding of Units in the Fund. ***Plan investors are particularly advised to read and seek further advice concerning material in this Memorandum that addresses the nature, volatility, diversification and liquidity of the Fund’s investments.***

Governmental and Other Plans

Employee benefit plans not subject to ERISA and/or the Code, such as governmental, church and non-United States plans, may be subject to laws regulating employee benefit plans that contain rules similar to ERISA and may contain other rules relating to permissible investments. Before making an investment in the Fund, such plans should conclude that an investment in the Fund would satisfy all such laws. In addition, each of these plans agrees, by investing in the Fund, that it, and not the General Partner, will bear the fiduciary responsibility to the employee benefit plan with respect to the overall prudence, liquidity and diversification of the underlying assets (including the specific investments, as they may be constituted from time to time) of the Fund. The acceptance of the fiduciary responsibility for the underlying investments of the Fund by the person acting for the plan is an express condition of the plan’s acquisition and holding of Units in the Fund.

Unrelated Business Taxable Income

Since the Fund will be permitted to borrow, tax-exempt Limited Partners (including employee benefit plans) may incur an income tax liability with respect to some or all of their share of the Fund’s income, which may constitute “unrelated business taxable income” for them.

Annex 4

Privacy Policy

This Privacy Notice is provided to you as a result of certain federal privacy notice and disclosure regulations and explains the manner in which the Fund collects, utilizes and maintains nonpublic personal information about each of the investors in the Fund. This Privacy Notice applies only to investors in the Fund who are individuals or to certain entities that are essentially “alter egos” of individuals (e.g., grantor trusts, IRAs and similar individual self-directed estate planning or investment vehicles).

We respect your right to privacy and are committed to maintaining and safeguarding nonpublic information about you. We do not disclose your personal information to companies or organizations not affiliated with us that would use the information we have provided them to contact you about their own products or services. However, to manage the Fund in a professional and efficient manner, we must from time to time obtain and disclose certain nonpublic personal information about you. To protect the confidentiality of such information while making the necessary disclosures, we have developed the security policies described below.

Information We Collect

We collect nonpublic personal information about you from the following sources:

- Information we receive from you through subscription agreements, investor questionnaires and other documents, such as your name, address, social security number, assets, income, employment and amounts or types of your investments;
- Information about your transactions with us, our affiliates and others, such as your capital account balance, other account data and participation in other investments;
- Information from outside sources, including consumer reporting agencies which may include credit reports; and
- Information we keep about the investments you purchase from us, as well as account balances and payment history.

Information We Disclose

We will only disclose nonpublic personal information to our affiliates and service providers as permitted by applicable law. In general, we may share your nonpublic personal information with our affiliates (including those who are involved in the operation, service, administration or management of, or the sale of Units in, the Fund). For example, we may share nonpublic personal information we collect as described above in connection with the administration and operations of the Fund (including disclosure to attorneys, accountants, service providers, auditors or administrators). We do not share your nonpublic personal information with companies or organizations not affiliated with us that would use the information we have provided them to contact you about their own products or services.

Our Security Procedures

Any service provider receiving your personal information will be authorized to use such information only to perform the services required of them by the Fund and its affiliates, and then only as permitted by applicable law. When we share personal information with companies working on our behalf, we protect your personal information where required by law with confidentiality agreements which obligate companies to keep your information confidential. We restrict access to non-public personal information to those employees of the Fund who require access to provide services to the Fund and its affiliates and its investors. We maintain physical, electronic and procedural safeguards that comply with federal

regulations to guard your non-public personal information. Your right to privacy extends to all forms of contact with us, including telephone, written correspondence and electronic media.

We are committed to safeguarding the nonpublic personal information of our investors and will adhere to the foregoing policies for both our current and former investors.